



EUROPEAN NEWS

Steel production down 3.4% in OECD area

BY PAUL BETTS IN PARIS

CRUDE STEEL production in Western industrial countries declined by 3.4 per cent in the first half of this year compared to the same period last year...

Rivalry surfaces on French right wing

By Our Paris Staff

MR JACQUES CHIRAC, the French Prime Minister, appeared set last night to suffer a censure motion tabled by the Socialist party in the National Assembly...

Commission survey points way to more jobs

BY TIM DICKSON IN BRUSSELS

MORE FLEXIBLE working arrangements such as job sharing, fixed term contracts and profit related pay could add as much as 6 per cent to the current European labour force...

ing hours was greater among the workforce than inside the boardroom. It also points to what it believes is the untapped potential for part-time jobs...

have relatively little employment impact. The report estimates that over the next year or two, Europe's industrial output will increase...

Brussels fines Belgian companies for fixing prices

BY OUR BRUSSELS STAFF

SEVEN SMALL and medium-sized Belgian firms have been fined a total of 60 million francs for operating a price fixing cartel...

nevertheless "stiff" for the companies involved. Moreover, the fact that the principle of so-called "national agreements" fall within the Commission's competence...

restrictions on the sale or leasing of production facilities and on the production of roofing felt—essentially bitumen-coated sheeting used extensively for water proofing...

Laura Raun assesses prospects for the Dutch Socialists

Kok points party in new direction

DUTCH LABOUR Party politics have been shaped for so long by Mr Joop den Uyl, the party's impassioned leader...

a fine line between a more moderate approach on the one hand and a clear alternative to the current centre-right Government on the other...

in the 1983 public sector strikes which ended after six weeks with a minimum of bitterness, even though civil servants had to take a 3 per cent wage cut...



Mr Giscard d'Estaing refused to support tax bill

0.7 per cent increase in pension contributions by wage-earners, but not companies, to help set off the social security deficit expected to total about FF 20bn (£1.95bn) this year...

two new nuclear generators go ahead. If there is any chance to topple the Christian Democrat-Liberal Government it may be on the emotionally charged issue of euthanasia...

THE TURKISH Prime Minister, Mr Turgut Ozal, flew to Moscow yesterday for a five-day official visit aimed at strengthening connections. However, he faces some thorny political issues...

Polish reforms need time to work, says economist

BY CHRISTOPHER BOBINSKI IN WARSAW

POLAND NEEDS two or three years to balance its economy and to allow measures aimed at increasing efficiency...

oil bill declines France's oil import bill fell by 4.5 per cent to FF 52.0bn (£4.1bn) in the first six months this year compared to the same period in 1984...

French state sector faces cuts

BY OUR PARIS STAFF

CAPITAL grants to French nationalised groups are expected to be cut sharply next year as part of the overall reduction in public expenditure...

Craxi calls coalition 'summit'

By Alan Friedman in Milan

MR BETTINO CRAXI, the Socialist Party leader who last week reached a tentative compromise designed to end Italy's 35-day-old government crisis...

Yugoslav petrol plan to boost tourism

The Yugoslav Tourist Association plans to offer a free tank of petrol to foreign tourists...

Juan Carlos calls on Spaniards to fight 'plague' of terrorism

BY TOM BURNS IN MADRID

KING JUAN CARLOS of Spain criticised terrorism sharply yesterday just hours before Prime Minister Felipe Gonzalez's Government met for the first time following a weekend cabinet reshuffle...

THE FRENCH authorities arrested a man suspected of belonging to the Basque separatist organisation, Eta's military wing, and expelled him yesterday across the border to Spain...

Interior Minister, Mr Alfonso Guerra stays as Deputy Prime Minister. Mr Javier Solana, the Culture Minister, remains, as do Mr Narcis Serra in the Defence portfolio and Mr Jose Maria Maravall at Education...

holding company, since late 1984 and was a former Secretary of State for Industry. Mr Julian Garcia Vargas, the new Health and Consumer Affairs Minister, is a senior member of the Treasury and was president of the Instituto de Credito Oficial, the state's credit agency...

Today's "summit" meeting, as it is being described in Rome, could prove decisive if the five parties—the Christian Democrats, the Socialists, Republicans, Liberals and Social Democrats—can agree on the form of a new government...

FINANCIAL TIMES Published by The Financial Times (Europe) Ltd, Frankfurt Branch...

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OVERSEAS NEWS

**India signs launch deal with Arianespace**

By Paul Botts in Paris

INDIA has chosen the European space rocket Ariane to launch a new multi-purpose telecommunication, broadcasting and meteorological satellite, Insat-1C.

Arianespace, the company which commercialises Ariane launches confirmed yesterday that it had signed its first launch contract with India.

The Indian satellite, due to be launched by Ariane at the beginning of 1988, was originally due to be launched by the US space shuttle.

India's first two satellites, Insat-1A and Insat-1B, were launched by the US shuttle. However, India decided to turn to the European rocket following the delays in the US shuttle programme after Challenger's accident at the beginning of this year.

Arianespace said yesterday that the European rocket had now received firm orders for the launch of 54 satellites out of which 37 remain to be launched. Its backlog is now worth about \$1.5bn.

Meanwhile, Mr Jacques Chirac, the French right-wing Prime Minister, is due to decide on the future of France's Ffr 3bn (\$434.7m) direct broadcasting television satellite programme at a meeting today with representatives of all the parties involved in the controversial project.

**Hungary to sell trucks to China**

HUNGARY will supply 780 Raba trucks to China this year and next, writes Leslie Collett in Berlin.

In a related deal, China will re-export 5,000 Polish-made Polski Fiat 126 cars to Hungary by the end of next year. The cars are to be shipped directly to Hungary from Poland.

Dr Bela Kadar, an economist at the Hungarian Academy of Sciences, said Hungary's share in world trade fell to 0.4 per cent last year from 0.7 per cent in 1970. Its share in world industrial exports also fell to 0.4 per cent last year from 0.9 per cent in 1980.

The loss of market positions for Hungarian industrial goods was strongest in other Comecon countries.



Rescue workers carry one of the victims away from the scene of yesterday's car-bomb explosion.

**Car bomb kills 26 in E Beirut**

A CAR bomb killed at least 26 people and wounded 90 when it ripped through rush-hour traffic in a heavily-populated residential street in Christian east Beirut yesterday, Reuter reports.

Security sources said the blast occurred 500 yards from Beirut's "Green Line" battlefield, and that the death toll was likely to rise.

The bomb exploded as Prime Minister Rashid Karami met Lebanese and Syrian army officers to fix a date to extend a security crackdown to Moslem West Beirut's teeming southern suburbs.

The Christian Voice of Lebanon Radio said 32 people had been killed by the blast, one of the deadliest in a series of

explosions to rock east Beirut this year amid worsening political deadlock.

The Sunni Moslem Education Minister, Mr Selim al-Hoss, condemned "this horrible crime committed against civilians at Ain al-Rummaneh. . . . We hope investigations will expose the criminals responsible."

Offices of Christian President Amin Gemayel's Falange Party occasionally have been targets in previous east Beirut bombings this year, in which 70 people have been killed and hundreds injured.

Christian politicians said that although there were Falange offices in the vicinity of yesterday's explosion, the blast appeared aimed only at causing maximum casualties.

**Japanese Socialist Party chief resigns**

Japanese Socialist Party chairman Mr Masashi Ishibashi, taking the blame for his party's defeat in July 6 general elections, announced yesterday that he would step down from the post he has held for three years, AP reports.

The rest of the 32-member executive committee of the party, known as the JSP, also announced their resignations, Mr Rikuo Ito, party spokesman said.

The Socialists lost about one-fifth of their strength in the 512-seat House of Representatives dropping from 110 seats to 86.

**Delhi clashes**

Sporadic violence marked a protest general strike in New Delhi and some towns in northern India yesterday, when Hindu activists clashed with police, K. K. Sharma reports.

The protest was, however, mostly peaceful although tension in Delhi remained high. Curfew continued to be enforced in areas affected by riots following the killing of innocent Hindus in Punjab state by Sikh terrorists. The army stood by to help police maintain order.

**Gurkha strike**

Indian troops patrolled the north-eastern town of Kalimpong yesterday as a Gurkha protest strike paralysed Nepali-speaking areas of West Bengal state for the second time in two months, Reuter reports.

The Gurkha National Liberation Front (GNLF) called yesterday's five-day strike after police shot dead eight militants during street disturbances sparked by the Front's campaign for a Gurkha state in West Bengal.

**Revolt complaint**

Police filed accusations of rebellion against the former Philippines foreign minister Arturo Tolentino and 40 others who tried to overthrow President Corason Aquino's government, Reuter reports.

Justice Minister Neptali Gonzales said the accusation was filed with the Manila prosecutor who would decide after further investigations whether to ask a court to issue arrest warrants.

**US to absorb fewer Vietnamese refugees**

BY DAVID DODWELL IN HONG KONG

THE PROSPECTS of resettlement for many of the 8,400 Vietnamese refugees held in camps in Hong Kong have suffered a severe blow following a US Government statement that it will from next month absorb less than half its normal monthly intake.

The US has over the past 10 years accounted for almost 50 per cent of the 110,000 refugees resettled from Hong Kong. It traditionally absorbs 125 a month, but in August, the US refugee programme will take around 50.

A cut by the US will not only have a serious direct impact on the rate at which refugees find permanent homes, but is also likely to deepen controversy in Hong Kong over the policy of keeping refugees in closed camps.

Essentially, US officials have challenged whether many of those arriving in Hong Kong can claim to be genuine refugees.

Instead of being South Vietnamese, with past links with the US in Vietnam, many refugees were arriving from North Vietnam, officials said.

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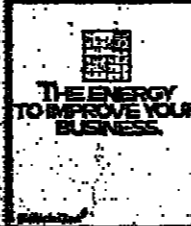
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**GAS FUELS PROFITS**

WORLD TRADE NEWS

Divisions remain as time runs out for textile talks

BY ANTHONY MORETON IN GENEVA
WIDE differences still remain among the 50 signatory countries of the Multi-Fibre Arrangement (MFA)...

US-Japan chip talks 'could end this week'

By Carla Rapoport in Tokyo
THE long-running US-Japanese semiconductor talks can be completed this week despite recent setbacks...

IBM moves up UK exporters' league table

BY CHRISTIAN TYLER, TRADE EDITOR
ONE OF today's largest and fastest-moving British exporters is not British at all, but American, IBM (UK)...

US aircraft maintenance review causes concern

BY MICHAEL DOWNE, AEROSPACE CORRESPONDENT
US Federal Aviation Administration plans to review the maintenance rules for US-built aircraft overseas...

and KSSU maintenance groups (which include several European airlines using US-built aircraft) are very concerned...

Boost in exports to W Europe

By Ian Rogers in Tokyo
EXPORTS TO Western Europe from Japan's 13 leased trading companies rose 57.3 per cent in June...

THE TOP 100 EXPORTERS 1985

Table listing top 100 exporters in 1985 with columns for Ranking, Company, Exports 1985, Exports 1984, % of Change, and UK Employees.

Chinese to visit air show

BY OUR AEROSPACE CORRESPONDENT
A STRONG Chinese industrial team will attend the UK's Farborough international air show from August 31 to September 7...

with more than 600 companies exhibiting and more than 30 new aircraft and variants of existing aircraft on display.

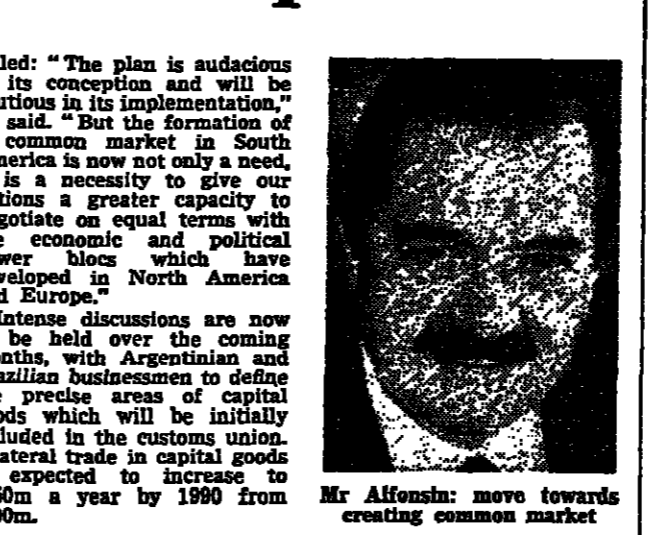
AMERICAN NEWS

Sarney and Alfonsin to sign trade pact

BY TIM COONE IN BUENOS AIRES
A TRADE AGREEMENT with potentially far-reaching economic and political implications is due to be signed today between Argentina and Brazil...

facilitates bilateral trade in foodstuffs to avoid seasonal shortages between the two countries.

failed: "The plan is audacious in its conception and will be difficult to implement," he said.



Mr. Alfonsin: move towards creating common market

Cuba halts short-term debt payments

CUBA has suspended payments on its short-term commercial debt to Western countries because of an acute shortage of foreign exchange.

Parish council polls in Jamaica assume national significance

BY CANUTE JAMES IN KINGSTON
MR EDWARD SEAGA, Prime Minister of Jamaica, faces a tough political test in local government elections...

Decline in growth of US wages reported

THE US Labor Department said wage rises negotiated in major collective bargaining agreements during the first six months of 1986 averaged only 1.2 per cent...

Reagan nominee faces probe

BY NANCY DUNNE IN WASHINGTON
MR William Rehnquist, president Ronald Reagan's nominee to become the 16th chief justice of the US, will face tough questioning...

try to challenge Mr Rehnquist. Yesterday it was announced that the FBI was investigating allegations that Mr Rehnquist was involved in harassing and intimidating black voters...

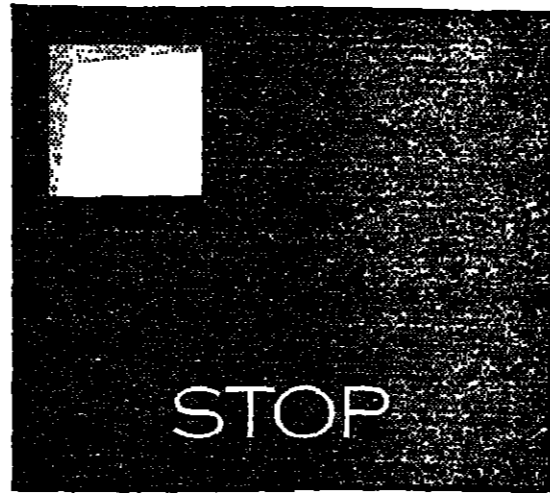
US film and TV actors vote for strike

Members of two major US actors' unions have voted by an overwhelming majority to authorise a strike that could stop film production and delay the new television season.

President Fidel Castro stressed Cuba's increasing difficulties in obtaining vital imports from the West in a speech at the weekend.

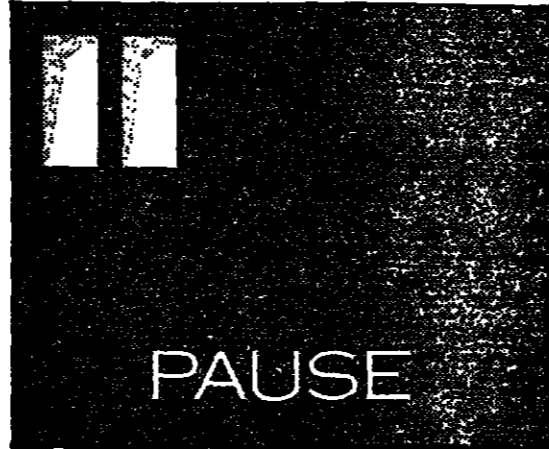
"All of this must be seen in the context of the terrible deterioration in living standards that has been the result of economic policies," Mr Manley says.

# IF YOU'RE THINKING OF COMPUTERISING YOUR ACCOUNTS



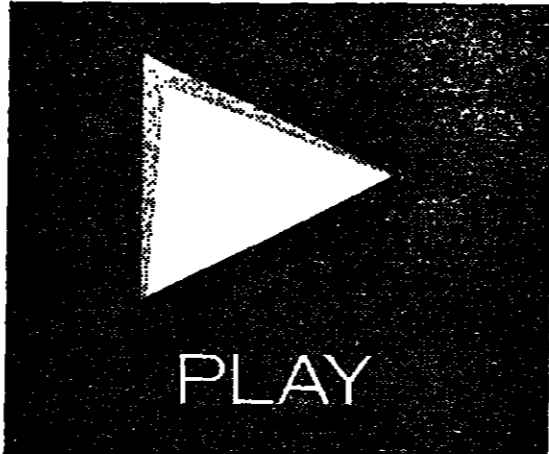
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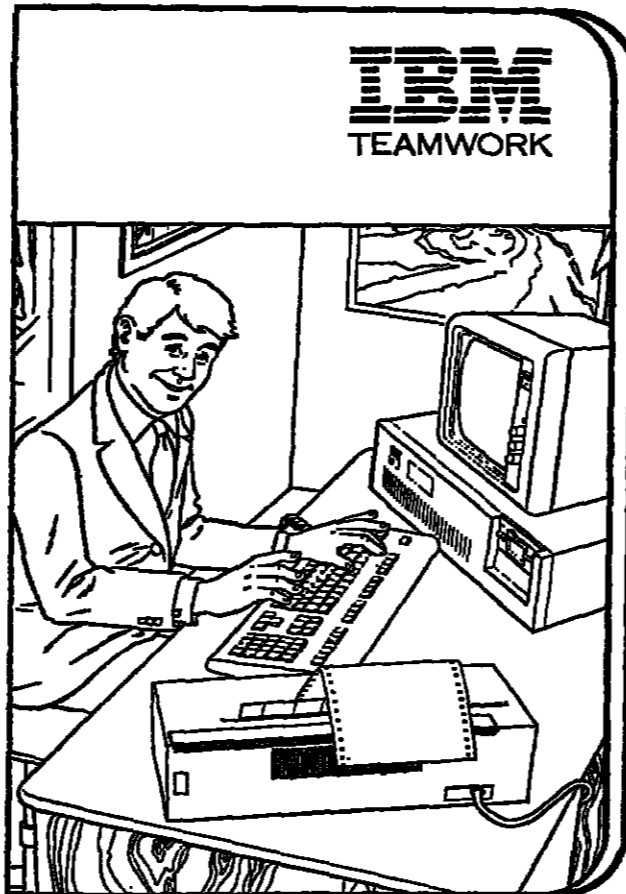
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Alan Cane reports on the electronic fingerprint recognition system which the British Government hopes will help capture criminals and export orders

# 'Supersleuth' goes in search of commercial backing

THE British Government wants to forge links with computer companies to exploit an ingenious idea which could help dramatically to increase the rate at which crimes are solved—and earn the UK millions of pounds in export sales.

The UK Home Office intends within the next few months to seek commercial companies willing to collaborate with it in the development of the prototype of a fingerprint recognition system which it thinks will prove substantially faster and cheaper than any yet developed.

If it successfully finds a partner, and the system fulfils its design potential, the Home Office is likely to base a new, fully automated fingerprint service on it.

It also believes that such a system could be sold to police authorities and security organisations around the world. The market is estimated, according to one consultant, at £100m in the US alone. At present, some 40 automated systems are installed world-wide, worth a total of about £40m.

The proposed system is based on two key UK innovations. First, a set of fingerprint matching and recognition techniques (algorithms). These were developed by British electronics group Ferranti under contract to the Home Office, and are acknowledged as the best of their kind.

Second, the transputer, the

revolutionary computer-on-a-chip developed and manufactured by Lamos, the semi-conductor subsidiary of Thomson-EMI. The transputer was designed to process electronic signals at high speed—exactly the kind of application involved in fingerprint feature matching.

CAP, a major UK systems house, is this week demonstrating the first stage of such a system based on the Home Office algorithms and the transputer at an international conference on identification techniques in London.

It is showing an encoder, a device which takes the raw fingerprint and automatically digitises it—converts it into a unique string of binary digits, zeros and ones, which can be stored in the memory of the computer.

Encoding is the first stage in automated fingerprint recognition. The second stage, matching, where the digitised image of a fingerprint is compared with the images held in the computer's memory has yet to be tackled using transputers.

CAP has built the encoder at its own expense as a demonstration to the Home Office of its willingness to become involved in the development of the full-scale system. It claims its transputer-based device can encode a print in four seconds, ten times faster than other automated systems.



Fingerprint expert Gerald Lambourne (left), a former Commander at New Scotland Yard, discusses the CAP system with Brian Mesley, the company's marketing director, Vin Sumner, principal consultant, and Peter Hall, systems engineer

Mr Gordon Wasserman, an assistant Under Secretary of State with responsibility for the science and technology group within the Police Department at the Home Office, makes it clear, however, that no contracts have been signed.

Furthermore, the Home Office will have to be convinced that an automated system will have advantages over the existing manual techniques before it proceeds with an automated version which, if extended to a full national system will cost in ex-

cess of £10m. Existing automated systems offer no cost advantages over the UK manual approach.

Evidence for the advantages of the transputer-based system is expected in a yet-to-be-published report from the management

consultants Ernst & Whinney which has undertaken a six-month, £150,000 appraisal of the UK fingerprinting system and its requirements on behalf of the Home Office.

Its report is expected to say there is every indication that a transputer-based, fully automated system would be viable—but that the UK's present fine record in fingerprint matching using manual techniques could be improved by better co-ordination of fingerprinting activities in individual regional police forces.

So any decision is unlikely to be purely technological. It will be taken on a combination of political, financial and technical grounds.

Mr Wasserman has been talking to systems and software companies including CAP, Logica, De La Rue and NEC, with a view to developing the new system, but he does not report overwhelming enthusiasm.

Although the world market can be measured, in theory, in hundreds of millions of pounds, it is already dominated by two companies—De La Rue of the UK, through its US-based Printtrak subsidiary, and NEC of Japan, both of which have been very successful in selling their systems.

De La Rue has some 30 of the

40 automated systems installed worldwide. Last week it announced its latest model range "Orion," which it says can start through 20,000 prints a second at a cost of between £1m and £20m a machine.

De La Rue systems are already used by, among others, the US Federal Bureau of Investigation. They are based on algorithms developed by the US aerospace company Rockwell International.

NEC has installed its system in police departments including Alaska, Calgary and Chicago. A French company, Telesystemes, is reported to be developing an automated system based on pattern recognition techniques rather than the algorithms favoured by the Home Office, De La Rue and NEC.

None of these systems, according to Mr Wasserman is yet suited to the needs of the UK, where fingerprinting practice is quite different from that in other countries.

The UK with its 3.5m prints on record seems to be, for example, the only country which attaches importance to identifying fingerprints found at the scene of a crime—"cold matching" as it is known.

In the US and elsewhere, prints are used chiefly for confirming identity for criminal identification and security pur-

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poses. Much use is made of what is called "Ten-print matching" comparing the prints of each of the ten digits taken formally by police fingerprint experts. The De La Rue and NEC systems are good at matching these prints rapidly.

Trying to match a "cold" or latent print taken at the scene of the crime with its image in a computer database perhaps of millions of prints is another matter entirely.

The Ernst & Whinney report concludes that no existing system is both fast, accurate and cheap enough to meet the requirement of the Home Office.

British fingerprint experts are already so good, it says, at manual matching that to install existing automated systems would not be cost-effective.

At present, according to Mr Wasserman, it costs about £300 to achieve a "cold" match. Using a transputer-based system the cost might fall to £300 a match, at which level it would be cost-effective.

And at such a price, other countries might be persuaded to purchase transputer-based machines to revolutionise their own fingerprinting techniques.

## Quicker and cheaper match by transputer

FINGERPRINTS ARE a complex pattern of lines, whorls, ridges and so on in which fingerprint experts further distinguish features such as bifurcations, holes, ridge crossings and bridges. UK law demands at least 15 points of similarity to establish a match.

Encoding the UK National Fingerprint Collection so that it could be searched automatically began in 1964 under Commander Gerald Lambourne of New Scotland Yard.

In the late 1970s and early 1980s, Logica, UK computing services company, was commissioned by the Home Office to build a prototype automated fingerprint recognition system based on Prime computers with Floating Point Systems high-speed arithmetic units, the system, still in use at New Scotland Yard, was extremely accurate but slow and costly.

In the system built by CAP, the Home Office algorithms have been improved and speeded up by Smith Associates, a small software company based on the Surrey University Research Park at Guildford.

The CAP system runs the Home Office/Smith algorithms on a proprietary transputer system, the "Computing Surface" built by Medko, a small British company specialising in transputer technology.

According to Dr C. J. Elliott of Smith Associates, a transputer-based system should run 10 times faster than a conventional automated matching system, at one-tenth the cost.

CAP's own estimates suggest that a system of 256 transputers working together could perform 1,200 comparisons a second. Fifty such units could achieve 60,000 comparisons a second.

## Efficiency bonuses from the harsh North Sea

BY MARK MERRITH

THE harsher economic climate surrounding North Sea oil operations has produced some unexpected bonuses. While the falling oil price means offshore operators are reining in their exploration and development, there are also opportunities for technology to improve the cost-effectiveness in such operations.

The outlook makes Tom Ehret, managing director of Comex Houlder Diving, one of a rare breed of oil industry optimists these days. Diving is among the areas hardest hit by expenditure cuts. Business is down 20 per cent for Comex and the continued slide of oil prices offers few prospects for improvement.

But Ehret feels his new developments in the area of sub-sea welding will produce the kind of efficiency which the industry now wants.

Oil companies laying pipelines and connecting some of the vast sections of plumbing from the sea bed to the oil platforms rely on sub-sea welding. It is costly and often risky work, especially at greater depths.

As part of their sales and safety pitch in this fiercely competitive market, diving contractors need to show their customers, the oil companies, how well they can operate offshore.

The conditions and performance of men and materials vary greatly from land to 300 or 400 ft under water. The reactions of the welding gases and types of steel used for pipelines differ enormously, as does the efficiency of divers.

The diving companies use hyperbaric chambers on land as sort of showrooms to simulate offshore conditions. Large scale welding operation under water such as pipelaying are carried out "dry" in pressurised vessels which are lowered over pipeline joints to allow divers to leave their flippers behind and cross through their diving bell to carry out a weld virtually in their shirtsleeves.

A new £1m hyperbaric centre built by Comex Houlder operates rather like a submarine on land. The pressure is built up inside as if it were a chamber underwater taking the force of the deep water surrounding it. Divers enter compression chambers just as though they were offshore.

The centre has two important advantages as a welding show-room. It has a huge doorway which allows large bits of steel

to be wheeled in for tests. In other chambers only part of a joint can be worked on. The chamber itself has 4.6 square metres of space.

Secondly it is a vessel large enough to demonstrate machinery which automatically welds pipe. Called orbital welding machinery there is a plan to introduce this commercially into offshore operations.

In a few months underwater orbital welding will begin. The machinery will be installed in the chambers which are lowered over the pipeline and then pumped free of water.

Divers will fit collars over joints in the pipeline, while powerful hydraulic clamps outside the chambers will help line up pipes and make sure they butt evenly.

Optical scanners will examine the next section to be welded and send a signal to a computer in the diving support ship above. A computer will then compare the area with base data and automatically adjust the welding equipment to compensate for flaws at the joint.

Diving contractors often try to tie a specific team of divers to a specific operation to ensure continuity. Orbital welding, while requiring divers to fit pipes in place, eliminates some of the human error which could creep in, especially after long periods of work.

The equipment will also make it possible to carry out welding at much greater depths.

Behind this venture is the Anglo-French structure of Comex Houlder. Its dual citizenship should see the company through the bad patch facing the whole oil industry and allow it to bring into service new technological improvements.

Comex, the French parent, can benefit from government funding for research and development offshore.

The Houlder side, part of Britain's Furness Withy, brings into play the innovative mind of John Houlder, who has introduced some key improvements to diving and its sophisticated support operations.

Research into sub-sea technology is also a high priority for promotion by Britain's Offshore Energy Technology Board, set up recently with backing from the Offshore Supplies Office of the Department of Energy.

# UK NEWS

## Kenneth Gooding on forecasts of a record August for motor traders Revving up for the car sales race

AS THE motor trade braces itself for the annual August bonanza, when about 15,000 new cars will be registered every working day, opinions differ about whether the 1983 sales record will be broken.

Austin Rover predicts it will be and that about 375,000 cars will be sold next month when the registration number prefix changes to D. In August 1983, the figure was 374,599, when there was a great rush to buy cars with the A prefix.

Ford believes sales will be "a shade up" on last August.

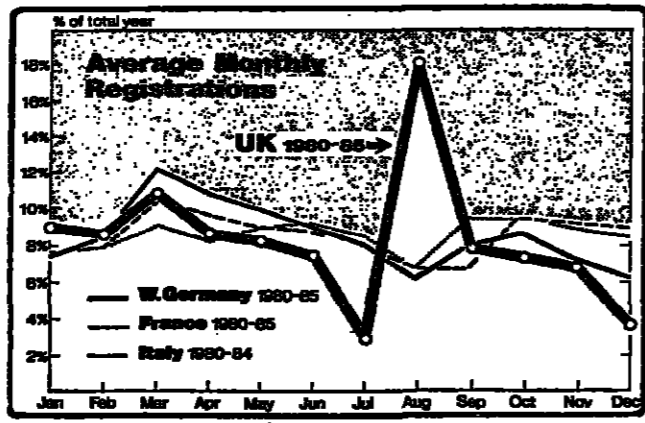
That might still be enough to make it the best month for car registrations. In August 1985, sales were 373,253, only 1,346 below the 1983.

General Motors, the Vauxhall-Opel group, believes there will be a fall this August to 366,000 — a far cry from the 400,000 which some in the industry are predicting.

The optimists point to the fact that the D prefix might last for 14 months because of a possible change in the system — and to the car market's strong performance so far this year. At the beginning of the year most industry forecasts were predicting new car sales of up to 1.8m or slightly below the record of 1.832m for 1985.

It is now clear that these predictions were conservative and many forecasters are now going for 1.85m. In the first half of this year, registrations were 2.3 per cent ahead of the record January-June period of 1985 and sales continued to climb strongly in the first 20 days of July.

There is no doubt that demand has been buoyed by fierce competition and heavy



advertising by manufacturers. This year there has been a change in tactics by the big three producers, which have been concentrating on low-cost finance schemes to attract private buyers during the run-up to August.

Some of the schemes include service, maintenance and spare parts for two or three years as part of the package.

Ford is almost certain to offer an incentive to those who cannot make up their minds to buy in August by giving early warning about a price increase half-way through the month.

The company has adopted this play for a few years. There is no reason to suppose it will change this year, even though it put up prices in February and inflation has fallen to a level where two price increases in a year might be considered excessive.

Car retailers have enough experience to cope with the

years but has said it is willing to listen to other suggestions. However, the industry is hopelessly split on the issue and is unlikely to be able to put up a united front to change the department's mind.

Austin Rover, Britain's state-owned car producer, wants the prefix abolished, but the department will not consider that option because the police say the prefix helps them identify stolen cars.

The Society of Motor Manufacturers and Traders contends that October will be acceptable. A change to that month should lead to smoother sales and production patterns, it says.

But the Motor Agents Association, representing the dealers, would prefer no change and insists that an October prefix would cause big problems in disposing of the used cars taken as trade-ins.

The most serious warning so far has come from Leslie Allen, who says a change to October could severely damage the infrastructure of the used car business as well as hitting new car sales.

"The used car business will be faced with rising stocks and falling prices at completely the wrong time of year," he says. "Customers will find they are talking to a motor trade that will either be unable or unwilling to discuss part-exchange."

There have been other warnings, echoing Mr Allen's prediction of a 10 per cent fall in used car values if the shift to October goes ahead.

However, that still seems to be the most likely outcome as October has the vote of both the SMMT and the department.

## Bradford to seek special development status

By Ian Hamilton Fazy

BRADFORD, once the wool capital of the world, is to ask the Government and the European Community for special status so it can start a £110m programme to regenerate its economic base over the next five years.

The Yorkshire borough, which also includes Keighley, Ilkley, Shipley and Bingley, has 56,000 unemployed out of a total population of 468,000. Without urgent action, the jobs total is expected to rise to 60,000 by 1996.

The area has been hit badly by the decline of the textile industry, a failure to attract private sector investment, and an expansion of the local population.

It is therefore asking to be designated a suitable area for a European-backed integrated operations action programme. This would combine and co-ordinate all sources of help from the Government and the European regional development and social funds and would be worth £110m if the proposal were accepted.

The programme would pay for industrial modernisation, the development of a tourist and entertainment industry, widespread training for employment, technology transfer schemes, as well as improvements to transport services, the local infrastructure and the environment.

It has been drawn up by Graham Moss Associates, the Bristol-based planning consultancy, at a cost of £120,000, 60 per cent of which was paid for by the Community.

Under the programme, the Community would continue to be the main contributor, providing £33m of the total. Bradford Council would put in £38m, including urban aid money from the Government, which would also be asked for another £3m. Private sector and other sources would account for the rest.

However, the projects involved would be designed to make Bradford a more attractive place for investment. The study anticipates that this would "lever" £2 of private sector money for every £1 of public money provided. It thinks that this would help create 5,500 jobs and make Bradford a national showpiece for inner-city regeneration.

## US director hopes to give ICI 'a kind of hormone injection'

Tony Jackson meets the latest overseas recruit to a chemicals group's boardroom ranks

IT IS remarkable that Mr Thomas Wyman, appointed at the start of this month as the first US board director at Imperial Chemical Industries, should have found time to take an outside, non-executive post at a company on the other side of the Atlantic.

As chairman — and sole executive director — of CBS, the US media corporation, he has been exposed to more or less continuous assault from corporate raiders over the past year or two.

He also spends time on the boards of General Motors, AT&T and the Ford Foundation. One factor which has brought him to ICI is an admiration for the atmosphere of change and energy in the chemicals group under the chairmanship of Sir John Harvey-Jones.

Another important reason is ICI's interest in introducing a greater diversity of board members. This is an idea not much developed in the UK, but Mr Wyman's CBS pursues it vigorously in the US.

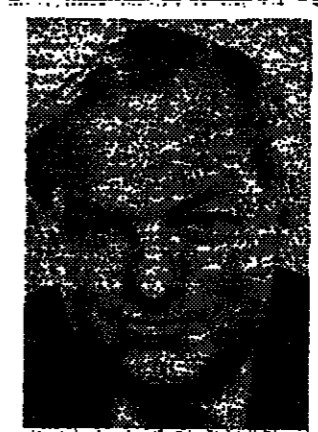
Mr Wyman is the third in a series of overseas notables brought on to the ICI board as non-executives by Sir John. The other two are Mr Walter Kiep, a distinguished West German public servant and head of the West German insurance group Gradmann and Holler, and Mr Shoichi Saba, head of Toshiba Corporation of Japan.

The appointment of Mr Saba last year was seen in the industry as an especially smart move, since it widened ICI's contacts not only in Japan but also in the world of electronics. Does Mr Wyman's appointment fall into the same category?

"There's only one chance in a hundred of direct business links," he says. "That isn't the objective anyway—commercial links ought to be conducted further apart."

One thing he reckons he can contribute is contacts in the US business and financial community. "ICI has a £2bn business in New York, but if you asked people in New York, you'd find they see it as a £60m business. There's a need to communicate a corporate identity to the business and financial community, and to the press."

From his experience of non-executive directorship at General Motors and AT & T, he says benefits flow heavily in both directions. You inevitably take away as much as you give.



Thomas Wyman: admires atmosphere of change

The main attraction for him is clear. "ICI is an unusual company, with a very large proportion of its business spread around the world. When John Harvey-Jones first asked me if I was interested three years ago — when he says he was not in a position to accept — I found it a fascinating idea that he might deliberately want so many board members from around the world."

"It's the direct opposite of having all your board members living within 75 miles of London — which would apply to 95 per cent of British companies, and the same for their New York counterparts. This way, you get different perspectives, wider contacts, and a kind of hormone injection."

Mr Wyman is sure this pattern will become more popular. "Within limits, diversity on a board is important. You need a mixture of ages, of financial people and marketing people, outsiders from high-technology industries, college presidents, doctors of medicine."

"And in our world a board is not considered fully developed unless it has a woman or two on it, especially in con-

sumer industries."

This idea is not yet the case in Britain — at Beecham's annual general meeting last week, a shareholder's question on female board representation was greeted with male ribaldry. At CBS, however, the principle of diversity is pursued with determination.

Mr Wyman says: "We have on our board the heads of Honeywell computers, Corning glass, Cummings diesels and Revlon cosmetics. We have a woman who was US representative to the UN, the chairman of the Ford Foundation — who is black — and an ex-secretary of Defence in the Carter Administration who is now an academic."

For an enthusiast like Mr Wyman, it seems fitting, if a touch extreme, that the inside directors of CBS should total just one — himself.

He became chairman in 1983 and says: "When I arrived there were four other inside directors but we changed that. They now participate in meetings as members of management, not of the board."

What attracts him about ICI? "If you were asked 'how would you like to go on to the board of a large company which has been in industrial products for 100 years, making ammonia and potash, with meetings in London?' and nothing more was said, the answer would have to be no."

"But if you sensed that a traditional company was engaged in altering not only its business but its culture, in the sense of financial and business strategy, risk taking, success criteria and so on — if you were asked to be part of that process both as a participator and as an observer to be educated by it — that's a different matter."

"What John Harvey-Jones conspicuously radiates is that he's an agent of change, and unconventional in the best sense. My first board meeting convinced me there's an energy in the air that it's interesting to be a part of, and try to understand."

Sir John, of course, retires next spring, to be succeeded by Mr Denis Henderson. A tactful man, Mr Wyman has that one covered without being asked. "All the signals are that the momentum is in gear," he says. "It will clearly survive management change and transition."

## Surveyors argue for mineral rights law reform

BY STEFAN WAGSTYL

THE LAW on minerals rights needs to be reformed and streamlined, the Royal Institution of Chartered Surveyors has said.

The institution says that the procedures by which mining companies can acquire mineral rights from landowners are long and costly. They fail to deal adequately with multiple ownership of land and with

owners who refuse to co-operate with mining companies.

The institution argues in a discussion paper that a drastic reform of the law—involving, for example, the nationalisation of mineral rights—would be unnecessarily severe.

However, there are inadequacies in the Mines (Working Facilities and Support) Act, which allow mining companies to purchase rights com-

pulsorily under certain conditions.

Difficulties arise because a company has to win a supporting statement from the Trade and Industry Secretary saying there is a "national need" for a particular project before permission to buy rights compulsorily is granted. The report argues for "national need" and "national interest" to be defined.

Access to Mineral Resources in Great Britain, Royal Institution of Chartered Surveyors, 12, Great George Street, London SW1.

The acts are a rare example of legislation which allows one private individual (often a large company) to acquire rights compulsorily over the property of another, the report adds.



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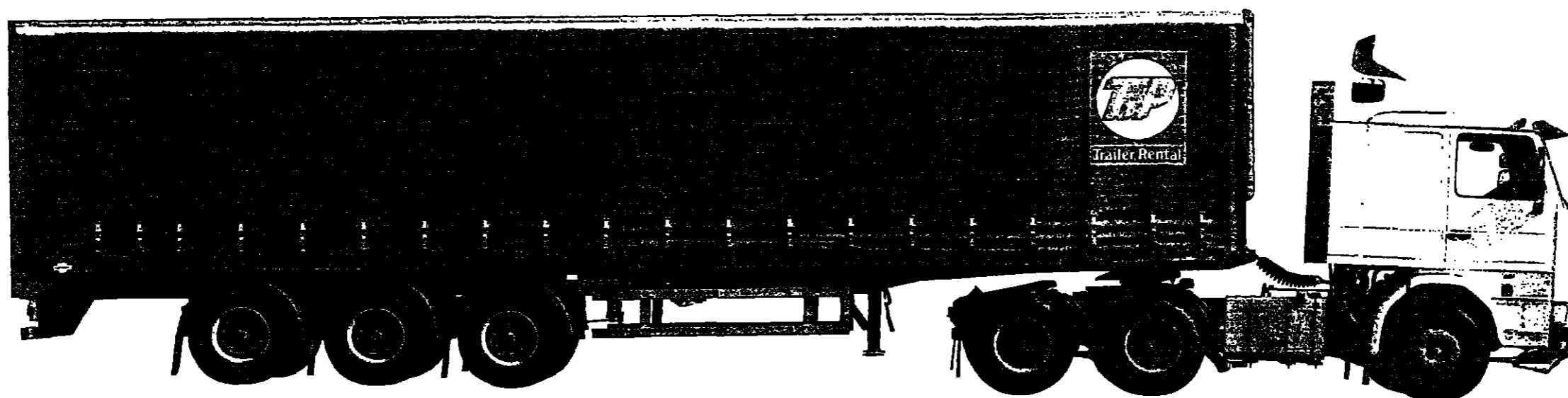
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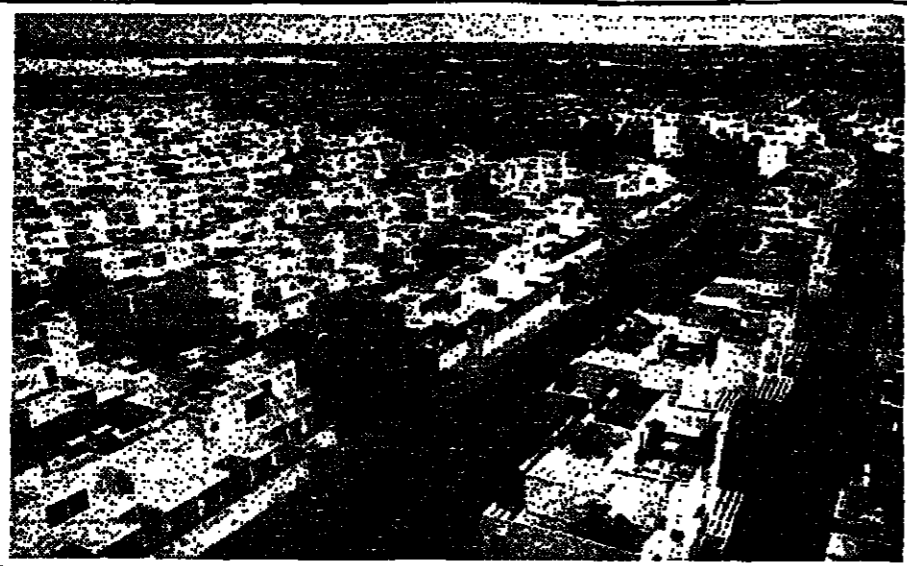
# Kingdom of Saudi Arabia builds two new industrial cities



RIYADH YESTERDAY AND TODAY EXHIBITION  
THE SAUDI EXPERIENCE  
OLYMPIA JULY 30th - AUGUST 10th 1986

## The Royal Commission for Jubail and Yanbu

ROYAL COMMISSION  
FOR JUBAIL AND YANBU



Permanent community housing in the Redwa neighborhood in Madinat Yanbu Al-Sinaiyah.

Saudi Arabia's economic growth in past decades relied almost entirely upon crude oil exports. Recognizing that oil and natural gas reserves were depletable and that future demand could diminish, the Saudi Arabian government embarked on a program of industrialization to develop other products, in addition to crude oil, to continue the Kingdom's economic growth.

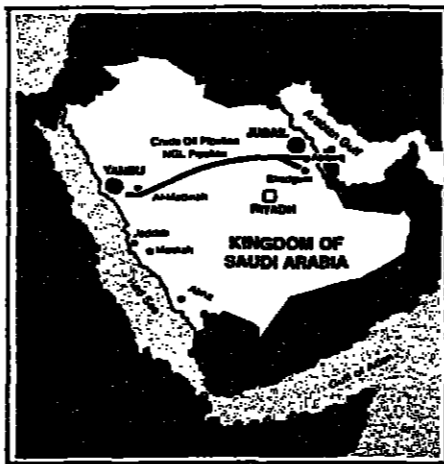
In 1975, the Royal Commission for Jubail and Yanbu was established to direct the development of two new industrial cities on opposite sides of the Kingdom. In carrying out its unique mission, the Royal Commission has been both an active instrument and a model of the Kingdom's overall development policies. Over the past ten years, the Royal Commission has concentrated on building physical infrastructure, such as ports, airports, roads and utilities, needed by the industries and communities at Jubail and Yanbu. In the future, the Royal Commission will continue to install infrastructure, encourage capital investment in productive sectors such as secondary, support, and light manufacturing industries, and develop an improved city government and other institutions to deliver urban services and manage local growth.



Numerous recreational facilities and a major five-star hotel have been developed along the coastline of Madinat Al-Jubail Al-Sinaiyah.

### Madinat Yanbu Al-Sinaiyah

Madinat Yanbu Al-Sinaiyah, Saudi Arabia's newest industrial city, is located on the Red Sea coastline 350 kilometers northwest of Jeddah and forms the western terminus of the crucial cross-Kingdom crude oil and natural gas liquid pipelines. Rising dramatically and majestically from the desert, the industrial city manifests the Kingdom's well-planned and progressive strategy for utilizing its hydrocarbon and mineral wealth by means of energy-intensive industrial development.



### Madinat Al-Jubail Al-Sinaiyah

Madinat Al-Jubail Al-Sinaiyah, the largest construction project in the world, which was once barren salt flats and sand dunes, has developed into a splendid new city on the coast of the Arabian Gulf. This huge 942-square-kilometer industrial and urban complex is being built to state-of-the-art international standards, reflecting the determination of the Saudi Arabian government to provide a solid economic base for its people in a vigorous, wholesome environment.



A wide variety of trees and shrubs abound throughout the community.

### Community

Jubail and Yanbu are modern self-sufficient cities, blending traditional Saudi values with international living standards. Comprehensive community development plans determine utility, transportation and other infrastructure requirements and allocate land for both public and private uses. Each neighborhood has its own mosques, hospital, schools for Arabic and non-Arabic speaking pupils, sports and cultural facilities, and shopping areas.

Built on a large peninsula and adjoining coastal land, the 90-square-kilometer community area of Jubail enjoys 45 kilometers of continuous coastline. Madinat Yanbu Al-Sinaiyah occupies a 180-square-kilometer site that stretches 25 kilometers along the shore of the Red Sea. Its community area, located northwest of the industrial zone, focuses on a semicircular bay. Designed to accommodate a combined population of over 400,000 by the year 2000, the cities are modern communities providing their residents with a full range of facilities and services.



A typical street scene in Al-Huwaylat neighborhood.



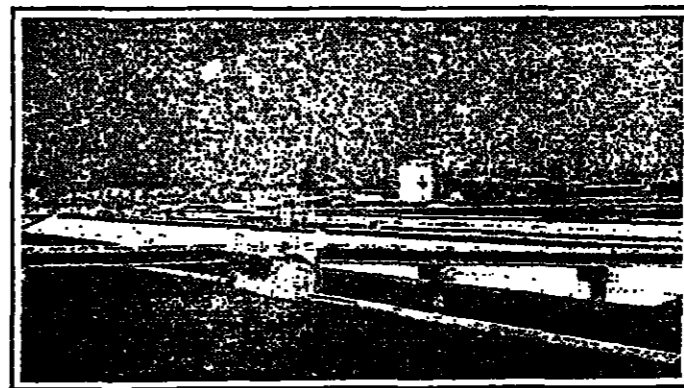
The city is emerging as one of the world's most impressive industrial centers. The Petrofin-Mobil export refinery is one of the five primary industries now operating in Madinat Yanbu Al-Sinaiyah.

The domestic refinery.

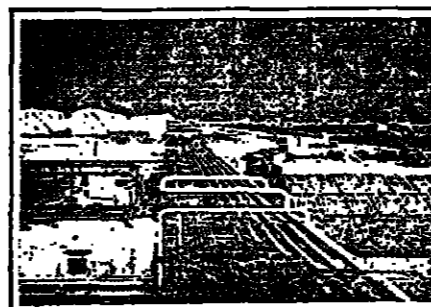
### Industry

Jubail and Yanbu industrial cities are key elements of the Kingdom's industrialization program. While Yanbu is located close to the Suez Canal and European markets, the site for the Jubail development was chosen because it lies at the heart of the Kingdom's petroleum deposits and is close to deep navigable Gulf waters. Parallel pipelines carry crude oil and natural gas liquids from the oil fields of the Eastern Province to Yanbu, creating a regionally diversified industrial base and offering the Kingdom a strategic alternative to Gulf sea lanes.

Although construction of Jubail and Yanbu started only nine years ago, major refinery products are now being created for domestic and world markets. These include diesel and lube oils, as well as gasoline and naphtha; petrochemicals, such as ethylene, ethylene oxide/glycol, styrene, high-density polyethylene, and linear low-density polyethylene; and methanol, urea, and prilled sulphur. Steel is also being supplied to various parts of the Kingdom. Eleven primary industries out of the 20 planned are currently operating in Jubail and five are operating in Yanbu.



The seawater canal in the foreground delivers seawater to cool the industries and returns the used water to the Gulf. The Arabian Petrochemical Co. plant in the background produces ethylene.



A pipeline corridor delivers refined products from the primary industries to the industrial part in the background.

### Business Opportunities

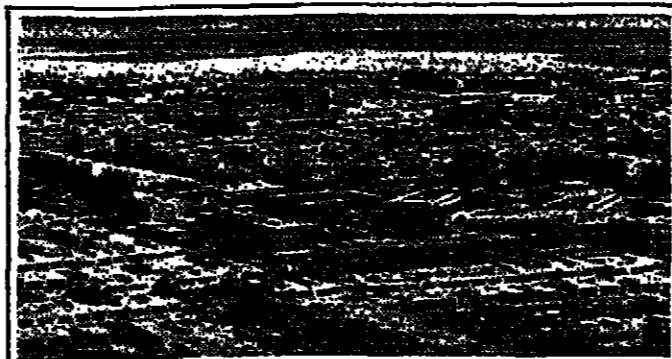
Opportunities for industrial developers and the private sector abound in both Jubail and Yanbu:

**Primary Industries** — Utilizing its rich endowment of hydrocarbon and mineral resources, the Kingdom's ambitious industrialization program features world-scale primary industries, both capital and energy-intensive, manufacturing products to meet growing world demands.

**Secondary Industries** — The future of private-sector industrial development belongs to the downstream manufacturers who, from feedstocks and resources available in both regions, will produce a broad range of added-value products such as petrochemical intermediates, plastics, steel, copper, and aluminum products, and agrochemicals.

**Support and Light Manufacturing Industries** — From the early days at Jubail and Yanbu, private businessmen have recognized the wide array of opportunities to manufacture essential products and provide services for the ever-expanding needs of both industrial cities, as well as other growth areas of the Kingdom.

Numerous other opportunities are also available in commercial and residential developments which are all necessary parts in the continuing growth of the two cities.



### Incentives

Besides their proximity to the growing markets of Asia, Africa, the Middle East, and Europe, Jubail and Yanbu also offer other advantages, including:

- Fully serviced industrial sites with a complete range of industrial infrastructure
- Long-term land leases at economical rental rates
- Convenient access to domestic and world markets by air, sea, and land
- Plentiful and reliable fuel and feedstock supplies
- A trained workforce with tailored training programs available
- A modern urban and business environment

The Royal Commission, pledged to actively assist private investments in Jubail and Yanbu, encourages both Saudi and international investors to visit or write for complete information in support of investment planning.

For further information about the Jubail and Yanbu projects, please address your inquiries to:

Royal Commission for Jubail & Yanbu Directorate General for Yanbu Project P.O. Box 30031 Madinat Yanbu Al-Sinaiyah Kingdom of Saudi Arabia Telephone: (04) 321-6000 Telex: 462303 RCYB SJ	Royal Commission for Jubail & Yanbu Secretariat General P.O. Box 3964 Riyadh 11432 Kingdom of Saudi Arabia Telephone: (01) 479-4445 Telex: 201385 JABEEN SJ	Royal Commission for Jubail & Yanbu Directorate General for Jubail Project P.O. Box 10001 Madinat Al-Jubail Al-Sinaiyah 31961 Kingdom of Saudi Arabia Telephone: (03) 341-3000 Telex: 832011 JABE SJ
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Letters to the Editor

Salaries in the City

From Mr G. Lapsley
Sir—Clive Wolman (London, July 14) takes the view that company directors and pension fund trustees pay City institutions too much for too little...

While considerable amounts of money are being paid in the City to traders, market makers and dealers (much of it as performance related or deferred bonuses) it is wrong for Clive Wolman to associate six figure salaries or Porsche-type comments with pension fund managers...

Design of pension schemes

From Mr I. Walker
Sir—Pensions advisors and actuaries must accept some of the blame for the present state of pensions and pension legislation...

The Government's role should be to set the scene for investment in pensions and encourage employees and employers to make provision for their retirement...

A high degree of autonomy and Hong Kong's future

From Mr M. Lee, QC
Sir—With reference to two articles appearing in your survey on Hong Kong published (June 26) entitled respectively "Quest for stability" and "Bumpy road ahead"...

Index, pension fund trustees generally seek conservative investments, avoid speculative opportunities and to a greater or lesser extent, limit managers' discretion...

Credit, however, where credit is due, Clive Wolman has understood the function of analysts and described their role succinctly. They do aim to advise fund managers to accept their recommendations and to act accordingly...

Why then are some City salaries so high? Because some institutions, with notable exceptions, are competing for key staff whose remuneration expectations and comparability considerations are international...

With regard to pension fund managers' apparently poor performance compared with the Financial Times All Share

Airports in demand

From Professor V. Korah
Sir—From time to time you report problems about the number of planes that want to use Heathrow and Gatwick...

In the United States the Antitrust Department advocates the use of a market mechanism to allocate the slots at Kennedy Airport...

Views of Latin America

From Mr S. Sanders
Sir—Your editorial (July 22) is a pristine example of British right-left as Orwell described it...

The Sandinistas would never have come to power without US support. It was the arms embargo against Somalia—insulating the cutoff of Israeli weapons due to American pressure...

The US did not isolate the regime initially. It supported it with more than \$500m in loans and a recognition of its external debt...

with the Communist Party of the USSR. Political and economic suppression began immediately as well as political murder; does your editorialist even know about the case of the ambassador of the leader of the cafeiros, an anti-Somalia leader?

There is nothing quaint about the Sandinista and US perceptions of one another: The Sandinistas are building strategic air bases for the Soviets with the help of East German, Cuban, Vietnamese, North Korean, etc., technicians in the traditional and well known manner...

Sol W. Sanders, 360 West 36 St. 12th floor, New York, NY 10018.

Disenfranchised and debarred

From Mr A. Denham
Sir—With reference to the correspondence on expatriate voters, we who have been resident in another EEC state for more than five years...

Both states (Great Britain and Federal Germany) are, however, I believe parties to the International Convention on Civil and Political Rights. Article 25 of that covenant prescribes that "every citizen shall have the right and opportunity... to vote and to be elected..."

Sponsors for literature

From the Director, National Book League
Sir—In his article on arts sponsorship (July 19) Antony Thornicroft writes: "The Booker Prize may be the classic example..."

A drawing disliked

From Mrs M. Graham
Sir—I have been a reader of the Financial Times for many years and always enjoy the articles, including those of Malcolm Rutherford...

Continent of Europe and elsewhere. Moreover, according to a protocol to the covenant, it is provided that "a state party to the covenant that becomes a party to the present protocol recognises the competence of the (Human Rights) Committee to receive and consider communications from individuals... who claim to be victims of a violation of that state party of any of the rights provided for in the covenant..."

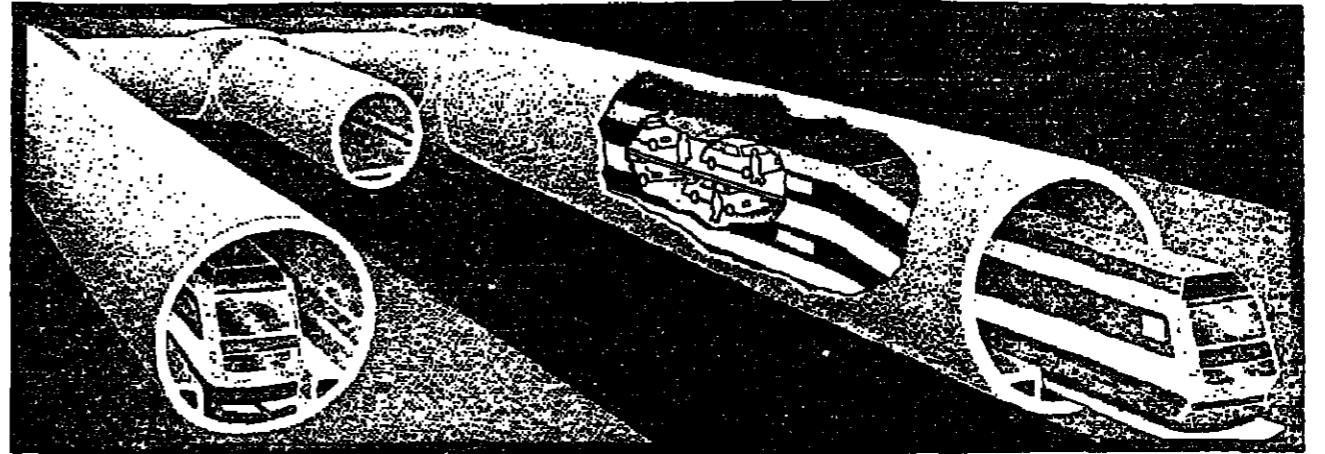
ture rather than music, opera, drama or painting. Yet the sums involved are minute compared to those for the other arts and the publicity spin-off, as we have shown in the Booker or Smarties prizes (Rowntree's example). It has indeed won worldwide publicity, as we administer it know. But despite its success few companies have been tempted to sponsor literature...

drawing of her. We are extremely lucky to have a Royal Family instead of a dictator territory's only true safeguard against potentially arbitrary rule from Peking" (Chris Sherwell). Yes, we do have "a bumpy road ahead"; but please do not make it any bumpier.

Martin C. M. Lee, 704a Admiralty Centre, Tower 1, Hongcourt Road, Hong Kong.

The Channel tunnel

Bridging the image gap



Michael Daley

IS THE Channel Tunnel running out of steam? The Anglo-French consortium which in January won the mandate to build a £2.4bn rail tunnel between Britain and France has recently been beset by political and financial problems.

Exciting investor interest in a scheme which will be one of the world's biggest construction projects is proving a struggle. The consortium, which goes under the name Eurotunnel, has postponed a planned £200m share issue because it has been unable to agree the terms of loan agreements with 55 international banks...

But an informal poll, by the Financial Times, of 25 of the largest British investment institutions shows that at least 10 of the biggest pension fund and insurance groups have already decided they will not invest in the issue, whenever it is held.

And in the British Parliament the tunnel, having only just escaped being knocked off course by a procedural row, faces a record number of objections. The Commons select committee hearing evidence on the Channel Tunnel Bill has received some 4,845 submissions against it.

The consortium claims the frustrations are no more than normal irritations expected at this early stage. Opponents say they reflect fundamental flaws in a project which is ill-conceived and will be a costly failure. So who is right?

Eurotunnel has, at the very least, the British Government firmly on its side and, the scale of parliamentary opposition can easily be exaggerated. Dissension among Conservative MPs has been noisy but has lacked substance. Most Labour MPs are unlikely to vote down a development strongly supported by the rail unions, and which will sustain thousands of jobs during the tunnel's construction.

Last month's overwhelming vote in favour of the Second Reading of the Channel Tunnel Bill — by 309 to 44 with Labour MPs abstaining — is perhaps the best barometer of the current balance of political thinking.

The Bill is generally expected to become law by early next summer. This would allow treaties and formal agreements to be signed in time for work to start on the tunnel by the autumn.

Eurotunnel's supporters worry about the effects of any slippage in what is a very tight time-table. They fear the tunnel could be lost if a British general election occurred before legislation was in place.

Concern over the financing of the tunnel is, however, more serious. The consortium denies it has suffered a serious setback by postponing this month's share issue. Rather, it says, it has paid the penalty of being too optimistic about the length of time it would take to conclude banking arrangements.

Eurotunnel plans to arrange more than £5bn in bank loans and standby credits provided it can raise at least 285% in equity. The aim will be to raise a full £1bn in equity with a

major public issue of around £800m planned for next summer.

Lord Pennock says the banks have taken longer than expected to agree details of the main construction agreements, known as "term sheets," which should pave the way for the signing of a full loan agreement at the beginning of next year.

"Construction companies want contracts to be as loose as possible to give them room to manoeuvre and a get-out if things go wrong; while banks want to ensure it is not them who will foot the bill. But there is little doubt we will get there in the end," said one international banker.

What is far from clear is how many institutions intend to support Britain's share of the placing (about £70m of the £200m) whenever it is held. The issue is whether the financial returns being offered to investors justify the risks.

The FT's informal poll, conducted between July 23 and July 28, revealed that less than a quarter are actively prepared to consider investing in the project. The bulk of the remainder are either steadfastly opposed or are extremely sceptical about the rates of return offered by the consortium.

Only six institutions said they were prepared to invest in the autumn flotation. Of these, two were extremely cautious about the project's chances of success and said they were prepared to invest only a small proportion of their total funds as a means to get "their foot in the door."

Ten funds said they would not consider investing in the project at all. They were concerned that dividends would not be paid until 1993, at the earliest; they believed that the risk of things going wrong was extremely high. Nine were undecided, but said they were sceptical about the rates of return expected.

One fund manager for a nationalised industry pension fund gave a flavour to the opposition to the issue: "We have lots of experience of things going wrong during the construction of major projects like the Thames Barrier. On top of this we have to consider what the ferry companies might do to try to price the tunnel out of existence once it opens. The ferry companies might fail but investors in the tunnel would suffer in the process."

"The risks are too great and the pay back period too long for a pension fund to consider."

The findings are depressing but not disastrous for the consortium. Eurotunnel says that of the 45 selected institutions it approached last autumn—of which letters seeking support were sent eventually to 40—around 30 have agreed in principle to support the autumn flotation and the larger share issue planned for next summer.

But while the consortium may be confident of raising the £200m it needs in the autumn, next summer's £800m international issue (around £300m from Britain) may well be more problematical. That issue is planned to be a public flotation. The signs are that much needs to be done to improve the project's image if it is to be a success.

Andrew Taylor

Advertisement for Malaysian Airline System (MAS). It features the MAS logo and text: "malaysian airline system", "We are pleased to announce the introduction of our 5th B747 flight from London Heathrow to Kuala Lumpur departing every Tuesday at 19.00 hrs.", "This is in addition to our existing services on Sunday, Monday, Thursday and Friday.", "mas WE'LL TREAT YOU LIKE GOLD", "OTHER MAS DESTINATIONS: AMMAN - AMSTERDAM - BALI - BANDAR SERI BEGAWAN - BANGKOK - COLOMBO - DUBAI - FRANZBURG - HATYAI - HONG KONG - JAKARTA - JEDDAH - KOTA KINABALU - KUALA LUMPUR - KUCHING - LONDON - LOS ANGELES - MADRAS - MANILA - MEDAN - MELBOURNE - PARIS - PENANG - PERTH - SEOUL - SINGAPORE - SYDNEY - TAIPEI - TOKYO... Plus a comprehensive domestic network within Malaysia.", "For reservations and more information contact your local travel agent or Malaysian Airline System, 25/27 St. George St, Hanover Square, London W1R 9RE. Prestel: 344190. Tel. No. 01-491 4542." The bottom right corner of the ad contains the date "From 21st July 1986".









**INTL. COMPANIES and FINANCE**

**Sharp fall for Japan's steelmakers**

BY YOKO SHIBATA IN TOKYO

JAPAN'S FIVE big steel manufacturers suffered a sharp fall in consolidated earnings for the year to March, affected by the year's steep appreciation and a decline in crude steel production.

In the steel industry the performances of parent companies account for a high proportion of the consolidated results. Even in the case of Nippon Steel, the largest Japanese steelmaker, consolidated sales were only 7.3 per cent higher than those of the parent.

However, consolidated pre-tax profits of the five were between 30 per cent and 70 per cent below those of the parent companies. Nippon Steel was dragged down by the pre-tax deficits of its subsidiaries.

Company	Sales		Pre-tax profits		Net profits	
	Ybn	% change	Ybn	% change	Ybn	% change
Nippon Steel	2,881	-6	34.98	-64.3	40.92	-19
Nippon Kokan	1,935	-12	16.44	-56	12.85	-64
Kawasaki Steel*	1,235	-	22.94	-	12.49	-
Kobe Steel	1,234	-5	11.43	-50	6.56	-37
Sumitomo Metal	1,287	-2	20.51	-50.5	18.61	-27

\* First consolidated results, no comparison available.

subsidiaries, Nittetsu Kenzai and Nittetsu Yosetsu Industries, while Kobe Steel suffered from a sluggish performance by its construction machinery subsidiaries.

Of their equity-accounted affiliate companies, only Nippon Steel managed to increase earnings.

by ¥2.1bn (\$13.3m), through the liquidation of the loss-making Nittetsu Curtain-wall associate, Nippon Kokan meanwhile reported a ¥9.1bn deficit caused by the loss accrued on its half share of National Steel in the US, acquired in 1984 — a sharp

reversal from the preceding year's profits of ¥1bn.

Sumitomo Metal's equity earnings from affiliates tumbled by 60 per cent, affected by the profits setback at Nippon Stainless and at Kanto Special Steel.

For the current year ending March 1987, all five steelmakers expect a further fall in earnings in the face of severe business circumstances arising from the yen's appreciation.

Some of the companies pointed out that restrictions on steel exports to the US, which came into effect in October 1984 in order to help US domestic steel companies weather an industry recession, had adversely affected both sales and earnings.

**Carlton Paper setback despite higher turnover**

By Our Johannesburg Correspondent

CARLTON PAPER, the 88 per cent owned South African paper products manufacturing associate at Kimberly-Clark, increased turnover by 8.8 per cent in the first half of this year but suffered a drop of nearly 44 per cent in pre-tax profits.

Mr Keith Partridge, the managing director, said that although market share was maintained, sales volumes dropped and the company was unable to recover increased costs fully by increasing prices.

Turnover increased to R92.2m (\$36m) from R84.7m and pre-tax profits were R4.62m against R7.88m.

First-half earnings per share dropped to 15.2 cents from 28.3 cents and the interim dividend has been cut to 8 cents from 14 cents.

**Blue Circle hit by South African building recession**

BY JIM JONES IN JOHANNESBURG

THE continued recession in the South African construction industry led to a 7.5 per cent drop in first-half cement sales by Blue Circle, the 42.2 per cent owned associate of the UK's Blue Circle Industries.

Turnover fell to R146m (\$57.1m) from R151m and the interim trading surplus before depreciation and finance charges dropped to R28.1m from R30.1m. Pre-tax profits were R4.2m against R5.6m.

The directors said the cement division's capacity use was a low 52 per cent and they did not expect an increase in sales volumes during the second half.

First-half earnings per share have fallen to 12.3 cents from 20.5 cents and an interim dividend has not been declared. Last year an interim dividend of 11 cents was paid. A second-half loss left earnings at 17.1

cents a share last year and a final dividend was not declared.

ISRAEL CORPORATION, controlled by Mr Shaul Eisenberg, showed a modest profit of US\$1.8m in 1985 after record losses of \$40m the previous year.

The turnaround was attributed in part to a \$6.2m gain by the government-controlled Israel Oil Refineries, in which the corporation has a 27 per cent stake. This resulted from more favourable terms in Refineries' recently renegotiated contract with the state.

The heavy losses of 1984 were mainly due to Israel Corporation's investment in Zim, Israel's largest shipping line, which was subsequently written off. The corporation retains a 50 per cent holding. Zim's position has improved dramatically in the past year.

**Return to profit at Israel Corporation**

By Lynne Richardson in Tel Aviv

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**Barclays Kenya 40% up**

BY MARY ANN FITZGERALD IN NAIROBI

BARCLAYS BANK of Kenya, a subsidiary of the UK bank, has announced after-tax profits of nearly £2.4m (\$3.5m) for the first six months of the year, a 40 per cent increase over the same period of last year, suggesting well for the Kenyan shareholders who subscribed to a public flotation this April.

The landmark issue was the largest on the Nairobi stock exchange in a decade and the first by a commercial bank. Last year Barclays declared record pre-tax profits of £8.10m, a rise of 19 per cent over 1984.

Barclays New Zealand more than doubled its net profit in the half-year to June, to NZ\$2.5m (US\$1.3m) from NZ1.1m. The profits for the latest six months are just above the level achieved for the whole of the previous year.

An interim dividend of 5 cents a share has been declared. Gross income was up from NZ\$33.1m to NZ\$33.5m. The bank predicts a satisfactory continuation for the rest of the year.

**JAPANESE COMPANY RESULTS**

METAL OIL LINES Shipping			BANKYO Pharmaceuticals		
Year to	Mar '86	Mar '85	Year to	Mar '86	Mar '85
Revenue (b)	553	548	Revenue (b)	770	777
Pre-tax profit (bn)	9.43	10.31	Pre-tax profit (bn)	29.22	28.55
Net profit (bn)	1.80	5.02	Net profit (bn)	10.11	8.89
Net per share	2.08	7.06	Net per share	34.21	32.52

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*These securities have been sold outside the United States of America and Japan. This announcement appears as a matter of record only.*

NEW ISSUE 28th July, 1986

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**Results for the year ended 31st March 1986**

Profit before taxation	£30.1m	up 50%	Money and metal borrowings	£175m	down 48%
Profit after taxation	£21.6m	up 79%	Interest payable	£15.9m	down 44%
Earnings per share	14.7p	up 71%	Return on capital employed	14%	up 27%
Dividend	resumed at 2.5p.		Return on equity	10%	up 67%

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# FINANCIAL TIMES SURVEY

Tuesday July 29 1986

## Coatings

High technology and powerful market forces are forcing major global and national realignment on the coatings industry. But clear leaders are emerging as the industry settles down after a series of strategic acquisitions by the giants.

### Race for global market

THE SHAPE of the world's coatings industry is becoming much clearer this year as the shake-up that has been going on vigorously since 1984 has begun to slow. The strategy of the major paintmakers has emerged and the rest of the decade will see them consolidating and fighting for a share in several key, profitable markets.

More acquisitions are likely, but the pace will probably be more measured—and the prices more realistic. As Mr Paul Lever, new managing director of the Reed subsidiary Crown Paints puts it: "We will always be on the look-out for suitable companies to buy, but not at silly prices."

This is a clear indication that Crown believes that the Dutch paint giant AKZO paid over the odds for the British company. Bunnell-Permoglass at the end of last year, Crown wanted the business badly to help it close the gap on ICI in decorative paint markets but was outbid by AKZO, which also bought the Sandtex brand of outdoor paints from Blue Circle this year.

Mr Lever's view is not sour grapes: most of the rest of the industry also believes that AKZO paid too much. However, the purchase was of considerable long-term strategic significance because it got AKZO into UK paint markets in a big way. The table of recent acquisitions shows how the big paint

companies have been building their armies of companies brands and coatings technologies in recent years. One result is that six of the 10 largest paintmakers in Britain are now owned by foreign companies.

The latest British league

#### SURVEY BY IAN HAMILTON FAZEY

Table, compiled this month from UK sales figures by the Paintmakers' Association, puts ICI first, Crown second and the Courtauld subsidiary, International Paint, third. Next comes Berger, which is owned by the German chemicals group Hoechst, and then Donald Macpherson, which was bought by Tikkurila, part of the Finland's Kemira Oy, in 1984.

Sixth comes the one remaining British-owned company in the top 10—Kalon, which went public last year by a reverse takeover into the industrial coatings specialist Leyland Paints. The following places are taken by AKZO, the Swedish group Becker, the other German giant BASF and, in 10th place, PPG of the US.

On the worldwide scene,

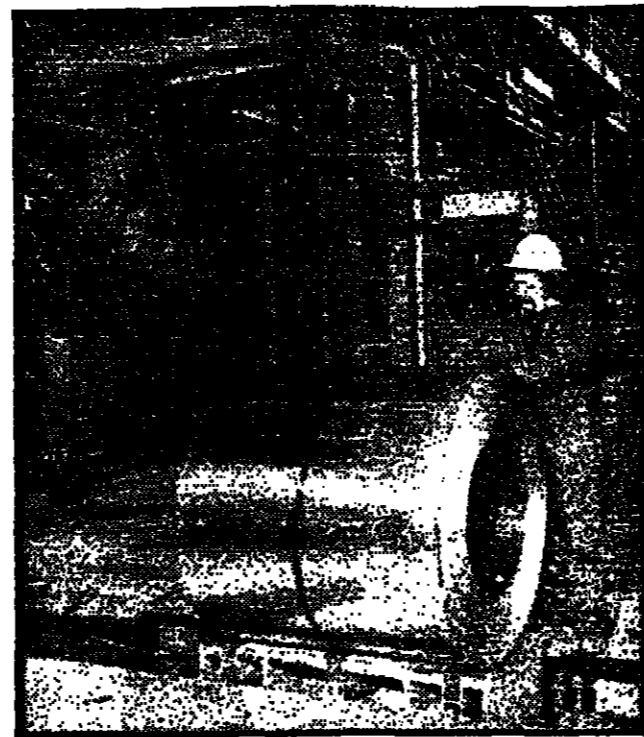
BASF is now in second place behind PPG, the similarly acquisitive US giant, ICI, which has also been buying, went into third place ahead of Hoechst, but there is a clear gap between the three leaders—PPG, BASF and ICI—and the rest. These are the three groups which look as though they will dominate the world paint industry in volume terms in the coming years.

Nearly all the leading companies have adopted a similar strategy. Volume and cash flow come from decorative paints for retail and trade markets, while good profits are obtained from trying to dominate small, specialised industrial market segments with high-technology coatings.

Even the giants cannot cover all segments, however, and they concentrate on particular niches. For example, International Paint leads the world in marine coatings, while Macpherson dominates the UK market for the heavy paints that go on agricultural, construction and earth-moving machinery.

Some technologies such as coil coating work only because of high technology. Coils of steel or aluminium are unrolled, passed down a paint line, through an oven to cure the coating in minutes, and then re-rolled.

The coatings are so tough that the metal can be formed into



#### STRATEGIC ACQUISITIONS BY MAJOR PAINTMAKERS

Company	Acquired	Date	Company	Acquired	Date
AKZO (Netherlands)	Wynndotte (US)	1983	Hoechst (W. Germany)	Renault Paints (France)	1986+
	Levis (Belgium)	1984	ICI (UK)	Holdens (UK)	1982
	Bunnell-Permoglass (UK)	1985		Valentine (France)	1984
	Blue Circle Sandtex (UK)	1986		Part Ault and Wibourg (UK)	1985
	Procolor (Spain)	1986		HGW Paints (Ireland)	1985
BASF (W. Germany)	Valentine (UK)	1985		Knapp (W. Germany)	1986
	Mobil Coatings (Netherlands)	1985	Kalon (UK)	Leyland Paint (UK)	1985
	Inmont (US)	1985	PPG (US)	Cipsa (Spain)	1982
Becker (Sweden)	Goodins Wall (UK)	1984		IVI (Italy)	1984
	Dufay Vanguard (UK)	1984		Part Wulffing (W. Germany)	1984
	Trading Merger with Alcro (Sweden)	1986		Part International Paint (UK)	1985
Crown (UK)	Frazee (US)	1984	Tikkurila (Finland)	MacPherson (UK)	1984

A coil of zinc-coated steel strip leaving the hot dip galvanising line at British Steel Corporation's Shotton Works, Deeside, Clwyd. Last year BSC produced 250,000 tonnes of strip worth £120m

businesses of decorative paint, vehicle repair, new cars, and segments such as coil coating, drums, cans, packaging and aircraft.

It also wants to reduce over-dependence on its UK profit base and an imbalanced geographical spread that sees it weak in the US and Japan. In Europe it intends to boost its market shares nearer UK levels.

This will be partly through acquisition—it is looking for suitable companies in Italy and Spain to add to subsidiaries in France and Germany. But it is also going into European consumer markets directly with new decorative paint technology such as solid emulsion, which is enjoying great success.

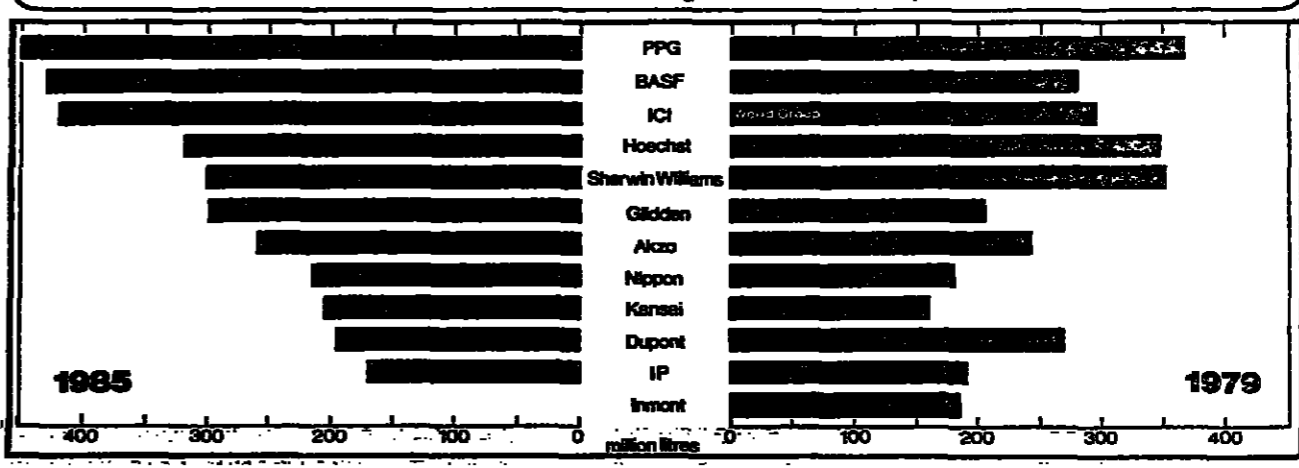
Competition has affected prices, so that all paint companies have had margins squeezed by rising costs. As

profitability has crashed, the less efficient and those without rich parents have suffered.

The giants have invested their way out—putting in plant that has cut manpower and unit costs while raising output. Smaller companies have seen returns on sales plunge to as low as 1 or 2 per cent, and pressures will increase further. There is a breathing space this year as the fall in oil prices cut the cost of some raw materials. But this will be a temporary relief, so rationalisation will continue.

The trends look set, however. Big companies will get larger at the expense of medium-sized ones; coatings technology will continue to rise; the most sophisticated paints will become global products; and in the marketplace coatings and colours will get better with consequent effects on design and quality.

World Paint Majors (Sales Volume)



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## BSC STRIP MILL PRODUCTS: THE STEELS FOR INDUSTRY









COATINGS 5

# Fight for exclusive niches

## SECTORS

ABOUT HALF of world paint sales go to decorative market segments. This is the high volume, commodity end of the industry. The other segments consist of many specialised niches.

Although volumes for specialised markets may be small, high technology ensures that prices and margins are relatively high. Large paint companies therefore try to have a steady base of decorative sales for cash flow while attempting to dominate selected niches.

How this works can be seen at ICI. The company estimates the world market for decorative paint at 49 per cent of total sales. It says that the automotive segment—for new cars—represents 5 per cent; vehicle refinish—for repairing cars—4 per cent; can coatings 3 per cent while everything else adds up to 30 per cent.

Its own shares are: decorative, 54 per cent; automotive 10, refinish 9, can 6 and other segments 21 per cent. In the other category it pushes hard in specific industrial finishes such as can coatings, aircraft, powder paints and packaging, all of which are relatively high added value products bought by big customers.

Some smaller companies, such as Postans, Wormald's Powders and Synthia Pulvis, which are all part of the Birmingham-based adhesives group Evode, concentrate on one high technology niche—in this case powder coatings—and try to dominate it nationally.

But even large companies may adopt an exclusive niche management strategy. International Paint, for example, is now dedicated almost entirely to globalised marketing of marine and powder coatings, relying on universal applicability of exclusive high technology. However, it also does well in niches like coil coatings and protective paints for things like bridges.

The main market segments, together with their value in Britain, principal suppliers and their prospects are as follows. The value figures were calculated by Mr Tony Horvath and Mr Louis McCulloch for their study of the industry, and are independent.

**DECORATIVE RETAIL (£215m)**  
What people buy in high street shops and, increasingly, in do-it-yourself superstores. Growth has been strong—has about 10 years of technology has advanced. Vinyl silk emulsion, non-drip gloss and, recently, "solid" emulsion are all examples of technological breakthroughs deriving from research by the paintmakers' chemical company parents.

The business is cut-throatedly competitive to the point of corporate suicide (see separate article). The main protagonists in Britain are ICI, Crown, Berger, Macpherson, Kalon, Becker (through buying Goodlass Wall), Manders, Jacon and Cementone-Beaver.

**DECORATIVE TRADE (£263m)**  
This is not necessarily the same paint as in the decorative retail segment. Trade paints are those applied by professional painters, whether employed by large companies, government, local authorities, or contractors.

Because the painter can be relied on to follow complicated procedures if necessary, the technology may be more advanced. Main protagonists are ICI, AKZO (through buying Blundell-Permege and Blue Circle Sandtex), Crown, Berger, Macpherson, Becker, Kalon, Johnstones, Manders and Sigma.

Paint for ships, yachts, dinghies, and the like—inside and



The windows of the Thistle Tower Hotel, London, were painted in Glasurit Venti 1-2-3 from BASF. This is a speciality finish which serves as primer, undercoat and top coat. Below: used in automotive refinish, Glasurit's UPS is suitable for application to every type of paintable plastic



out. The coatings are high technology ones designed to reduce fouling by marine life. The market has declined with the size of the world's shipping fleets. Excepting the Petrobras subsidiary, Sigma, most giants have abandoned the segment to International Paint. Smaller protagonists include Jotun, Hempel, Leigh, Ameron and Mabon.

Well over 30 per cent of world sales have been won by International Paint so that it dominates the segment globally. The company has increased its sales in a falling market by superior technology and—equally important—computer-aided services that enables any customer to dry-dock a ship anywhere in the world and find the right paint in the right quantity within 24 hours.

**OFFSHORE (£25m)**  
Heavy duty coatings for the offshore industry, with steady repeat business because of maintenance. Most of the main protagonists from this market sector are in the market plus Crown, which has developed a high technology range of moisture-curing paints which can go on at zero centigrade in damp conditions.

**PROTECTIVE (£22m)**  
These paints are for things like structural steelwork, bridges, concrete, and railway rolling stock. A common basis of technology means that the same companies compete as in offshore and marine segments, with the addition of Berger, though it has recently sold the bridge painting business of Goodlass Wall to International Paint.

**AUTOMOTIVE (£35m)**  
Probably the most important high-technology niche in the world because car production never stops, even in recession. It also demands globalised marketing of consistent products, so only the giants can compete effectively in the long term.

Environmental pressures to cut solvent emissions when coatings are being cured will favour water-based paints, particularly in new car plants, and ICI has an 18-month lead on the rest of the world in the latest technology here.

The main protagonists in Britain are ICI, FPG, BASF,

hasten this, especially as giants like ICI, BASF and Hoechst exploit the work of their plastics and chemicals divisions.

Container coatings might be a better name for the segment, although a company such as Crown—which does well out of using similar technology to paint things like toothpaste tubes—would rather see it called packaging. Containers are coated inside (in the case of food, for safety, using an inert lacquer) and outside for decoration.

**POWDER COATINGS (£22m)**  
One of the new segments that has been born out of the industrial paint segment. The paint is a mixture of resins and pigment—comes in powder form and is sprayed through an electrostatic field onto the object being coated. The particles pick up the spray booth and earth themselves on the object, covering it.

The powder is thermoplastic, which means that heating it—usually by heating the object—makes it form a polymer film that looks like paint applied by any other method. Normal paints carry the pigment-resin system in a solvent and the paint cures as the solvent evaporates, so with powder paint there are no emissions.

Also, excess powder falls to the bottom of the spray booth and can be recycled. Coatings are thick and can be made very thick, say for protecting pipelines. The segment is highly specialised with high technological content. Formulation has to be exact because mistakes cannot be rectified later by adjustments in the can or drum, as with wet paint. (See page 3.)

**COIL COATING (£18m)**  
Another new segment that is taking share from the industrial paint market. Coils are rolls of steel or aluminium sheet which are painted automatically on a production line and cured in long ovens. They may be rolled up again for storage or cut into sheet lengths immediately.

The motto of the coil coaters is "finish first, form later." The coatings are so tough that the sheet can be bent or formed into almost any shape without damage. Steel profiles for buildings are the most common use but white goods, such as washing machines, are also made in this way.

The technology eliminates the need for on-site painting or paint shops in factories and the segment grew at 14 per cent a year through the depths of recession as many manufacturers switched to using pre-coated sheet to save on paint shop labour and running costs.

**ACE (£15m)**  
ACE stands for "agricultural, construction and earthmoving equipment." Coatings are designed for heavy duty. ICI divested from the segment, selling to Macpherson, the segment leader. Rivals in Britain are Croda and R. J. Hamer.

**WOOD (£14m)**  
A rapidly developing segment where fashion is a major influence in encouraging the use of, for example, wood stains rather than conventional paint. Much is made of "micro-porous" coatings which allow wood to "breathe" after application. The larger paint companies treat this terminology as advertising hype.

What is called "micro-porous" is a narrow range of permeability, which all wood coatings possess to some extent. An ICI chemist, Mr John Grayson, has written an excellent book/manual on wood, which explains all (obtainable from the company at £10 a copy).

Leading specialists include Macpherson, Berger (which owns Cuprinol), Crown, Sikkens (AKZO-owned), Becker and BASF, although all companies that are big in decorative paint are also into wood.

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UK COMPANY NEWS

Reuters interim profit up by 32%

BY DAVID GOODHART

REUTERS yesterday announced a 32.4 per cent rise in pre-tax profit in the first half of 1986 to £293.2m, and after-tax profit was £177.2m, and at the same time revealed that it had paid £12m in cash for L. H. Wyatt, the privately-owned supplier of voice communication products for dealing rooms.

Reuters' turnover increased by 26.1 per cent in the six months to £293.2m, and after-tax profit was £177.2m, and at the same time revealed that it had paid £12m in cash for L. H. Wyatt, the privately-owned supplier of voice communication products for dealing rooms.

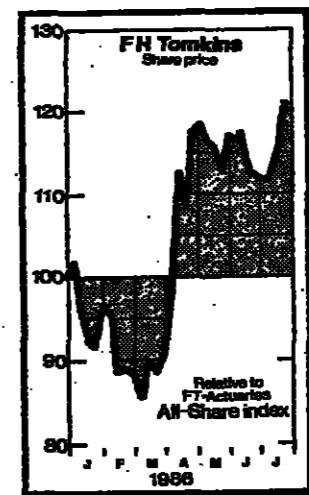
Maxwell apologises over breach of SE code

By David Goodhart

Mr Robert Maxwell, publisher of Mirror Group Newspapers, yesterday apologised to Sir Christopher Hogg, chairman of Reuters, for what may have been a serious breach of the Stock Exchange code on the sale of shares by directors.

Pegler integration takes priority for F H Tomkins

F. H. Tomkins, which last month narrowly succeeded in a bitterly contested takeover for valve maker Pegler-Hattersley, yesterday announced more than doubled profits for the year to last May 31. At £7.35m against £3.53m, these were rather higher than the company had forecast in its offer document.



destined to be beaten by a respectable margin, interest yesterday was focused more on where the money had come from and what skeletons had been found in the Pegler-Hattersley cupboard than on the pre-tax figure itself. Little light was shed on either. The GKN acquisitions apparently responded to the Hutchings touch and yielded £1.7m to its new owner in eight months, but there were no numbers to illustrate the difficulties at Webb and FHT — or, indeed, the successes with the two major acquisitions. Meanwhile, Tomkins is silent on Pegler's prospects pending a closer scrutiny of the new acquisition's budget. But if information was scant, one cannot quibble with last year's 50 per cent growth in earnings per share, and on present form Tomkins must be set for a prospective p/e ratio of 14 at yesterday's close of 81p.

Store opening costs hold back Hillards

Hillards, the West Yorkshire-based supermarket operator, lifted its pre-tax profit by 10 per cent, from £3.14m to £3.46m, in the 53 weeks ended May 31 1986. Turnover, including VAT, came to £281m, a 9 per cent rise over the previous £257m.

with earnings at 11.73p (12.19p). The final dividend is 2.3p for a net total of 3.3p (adjusted 2.9p).

Parkfield surges to £2.35m

Parkfield Group, the USM quoted engineering and electrical distribution concern, yesterday announced record pre-tax profits of £2.35m for 1985-86 and at the same time said it intended to apply for a full listing.

acquired and Polaroid was also trading well. All group companies had shown profits growth.

SE listing for shares in warship builder

BY RICHARD TOMKINS

VSEL CONSORTIUM, the newly-privatised warship builder which was bought from British Shipbuilders by an employee-led consortium earlier this year, will acquire a Stock Exchange listing on Thursday when it comes to the market through an introduction.

More than 11,500 employees and 5,000 local residents are now shareholders. The rest of the equity is held by insurance companies, banks, pension funds and other institutions.

Saatchis buy NMC shares to cut dilution

By Frank Kane

Mr Charles and Mr Maurice Saatchi, the brothers who head the world's largest advertising agency, yesterday increased their stake in NMC Investments, the fibre board and investment group, via the acquisition of 2.5m shares each.

Murray Smaller

Murray Smaller Markets Trust improved net asset value per ordinary and per B ordinary share from 222.5p to 358p in the year to May 31 1986, and earnings, assuming full conversion of the Bs, rose from 2.73p to 2.84p.

A. J. Worthington

A. J. Worthington (Holdings), the textiles manufacturer, turned in a second-half profit of around £28,000 for a full-year loss after tax of £23,000 (£270,000) on turnover up £496,000 at £1.97m for the year to March 31, 1986.

GEC denial

General Electric Company (GEC) has denied press speculation that it was planning to make a bid for STC if its offer for Plessey failed.

STERLING COMMERCIAL PAPER Market Update

18

Publicised programmes to date

4

Sterling CP Options incorporated in other facilities

Leading Dealer/Arranger with 6 publicised programmes including The BOC Group, Norsk Hydro, P&O, Redland and Unigate.

COUNTY NAT WEST CAPITAL MARKETS

The NatWest Investment Bank Group

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Please arrange a week's free trial on my TOPIC terminal (no.....) of

ICC SHAREWATCH

the ICC Database of shareholders owning over 0.25% in UK quoted companies.

TOP 500 The performance 1970-1986

Since 1970 The Banker has researched and published the asset size of the 500 largest commercial banks in the world. As this data is now incorporated within so many information systems by treasury departments worldwide we believe that the historic performance of all the banks which have been included throughout the long period we have been publishing the research would be of considerable value.

The Banker will, therefore, be publishing in its forthcoming August issue the ranking of each bank since 1970 up to the current year.

Over this long period the influence of currency movement against the US dollar has played a major part in the ranking of banks; we are, therefore, arranging the ranking by country which will be helpful in assessing the individual performance of each bank in the context of its own base country's economy.

Full details of the cost of advertising within this important study along with our future publishing programme are available from:

The Marketing Director THE BANKER 102-108 Clerkenwell Road, London EC1M 5SA Tel: 01-251 9321 Telex: 23790 FINBI G

Granville & Co. Limited

Member of FIMBRA 8 Lovat Lane London EC3R 8BP Telephone 01-621 1212

Table with columns: High Low, Company, Price, Change, Gross Yield, P/E, Fully Paid. Lists various companies like Ass. Brit. Ind. Ord., Bardon Hill, etc.

UK COMPANY NEWS

Berkley's Authority tender offer is failure

By Frank Kane
Berkley House Group, privately-owned property developer, still has hopes of a close trading relationship with Authority Investments...

It seems likely that any arrangement between the two will take the form of a trading agreement rather than an equity deal. Mr Curtis stressed his company's expertise in refurbishment...

A renewed bid for Authority/Management does not seem on the cards, with around 65 per cent of voting strength, including the board, against the Berkley tender...

Lighting gives Whitcroft better start

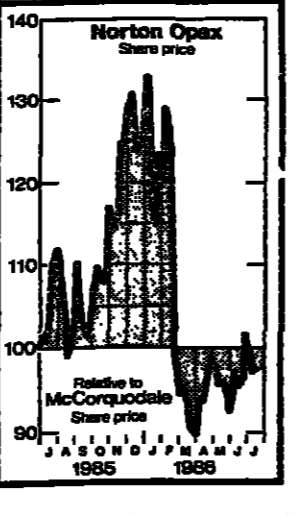
WHITCROFT, Cheshire-based holding company with interests in textiles, building supplies and lighting, had started the year well...

At other annual meetings Mr Ken Roberts, vice chairman of Norwest, said that despite disappointing activity in the construction industry the company should be ahead at the interim stage.

He welcomed the Government's beginning to play a greater part in the stimulation of the economy. Cranswick Mill Group, holding its first meeting since it joined the USM...

Norton Opax on target with £3m profits leap

Norton Opax, security and specialist printing group, continued to achieve significant growth in the second six months ended March 31, 1986...



Tax charge was £196m (£0.74m) and minorities accounted for £131,000 (£25,000).

The year had seen substantial progress on all fronts, with the increased profits deriving from businesses acquired in the previous year and from substantial growth in the existing activities.

In September, Norton purchased the 'Life' series of regional magazines from International Thomson Publishing and the directors said the re-launch of these titles was proceeding well.

Early this year, the three retail companies acquired as part of Sir Joseph Causton in 1985 were sold to William Collins and the deal resulted in an extraordinary profit of £3.06m.

year is to be raised from an adjusted 2.838p to 3.5p net, with a final 2.5p. Stated earnings per 10p share climbed from 3.07p to 10.01p...

comment Norton Opax has a gift for spotting opportunities even if the broad sweep of history, whether in the form of Robert Maxwell or the Monopolies Commission has a way of pushing them out of reach...

Thomas Jourdan jumps 50%

ALTHOUGH ROYALTY income was virtually static, improved results from its trading subsidiaries enabled Thomas Jourdan to raise pre-tax profits by 50 per cent from £412,000 to £618,000 for the half year to June 28, 1986.

Turnover increased 38 per cent to £6.55m (£4.55m). The group makes trousers, presses, nursery products, fireplaces, surrounds, and brushes and holds Mary Quant royalty contracts.

Mr Archie McNair, the chairman, said the group's trading subsidiaries had continued to expand, despite the disruption of Corby's operation due to the move to larger and more suitable premises at Andover.

royalties contribution was only £5,000 higher at £135,000. Share of related company profits added £47,000 (£14,000) although interest took £94,000 (£77,000).

After tax of £224,000 (£170,000), earnings per 10p share advanced from 2.44p to 3.25p. The net profit margin is increased by 19 per cent from an adjusted 1.05p to 1.25p...

dence to continued progress in this period. It reported that at Lion Brush Works, the board's short term objective of strengthening the management team was nearing completion...

Mr McNair said that apart from expansion of currently owned operations, there was much activity and planning by the executive directors aimed at increasing size and profitability.

Webber Electro

Webber Electro Components blamed overstocking and other short-term problems among major customers for a decline in profit to £222,000 (£270,000) in the six months to March 31, 1986.

BET launches scathing attack on HAT record

BET, the diversified industrial services group which is making a £66m hostile bid for HAT, the paint and scaffolding business, yesterday launched a scathing attack on its target's past performance.

latter have left the balance sheet seriously weakened and it is questionable whether HAT now has the financial strength to recover even if it had developed a successful strategy for doing so.

Lee Intl. expands In pursuance of its expansion into Europe, Lee International has acquired Kobel Licht Fritz Consten, from Herr Consten, in consideration of the issue of 949,681 ordinary shares...

Urgent action was being taken to implement this strategy. A priority would be investment in the UK where the company was actively seeking attractive acquisition opportunities.

turnover for the half year was £3.25m (£3.81m). Attributable losses came to £1.67m (£173,000) and stated deficit per 25p share was 3.87p (0.78p).

Fitzwilton dives into red

Dublin-based Fitzwilton incurred a pre-tax loss of £732,000 (£681,000) in the half year to December 31, 1985, against a £154,000 profit last time, but the company said it expected to show a profit at the year end.

They said they had decided it was in shareholders' best interests for Fitzwilton to remain a trading company.

period was £156,310 (£128,869) and unfranked £52,464 (£52,539). Expenses amounted to £18,947 (£16,296), and debenture stock interest was unchanged at £5,300. After tax of £39,628 (£55,382) earnings came out at 3.35p (2.94p).

GREEN PROPERTY Company, Dublin-based property investment and development concern, made pre-tax profits of £517,000 (£578,000) in the first

half of 1986, against £935,000 for the whole of 1985. Net rents received were £907,000 (£1,177m for year). Earnings per share were 2.41p (4.83p) but are not strictly comparable due to the issue of new shares in June, 1985.

BLACKWOOD HODGE Canada's wholly owned subsidiary, Blackwood Hodge Equipment, has received £81.25m (£9.6m) in full settlement of its claims against General Motors Corporation, arising out of disputes involving its dealer sales and service agreements with General Motors of Canada.

US team to take control of Mnemos

By Martin Dickson
A group of US investors, led by Alan Patrick Associates, the venture capital company, is set to acquire control of Mnemos, the less-making, USM quoted manufacturer of information storage equipment, under a financial reconstruction plan...

Advertising costs hit Merrydown profit

Merrydown Wine felt the effect of its first major advertising investment in its Vintage Cider brand. In the year ended March 31 1986 its pre-tax fell by 19 per cent, from £1.25m to £1.03m, and that cost of advertising was the main cause.

After tax £415,000 (£550,000) earnings are stated at 18.6p (21.44p). The final dividend is 5p to bring the total up to 6p (5.88p scrip adjusted), and there is to be a further one-for-eight scrip.

comment Yet again Merrydown has emerged unscathed from a lack lustre year in the cider market. Cider sales fell by 3 per cent during the 1985-86 financial year yet Merrydown held its volume despite distribution problems in Scotland. Margins were affected by the advertising expenditure incurred by the Vintage brand, however. Given that the market leader, EIP Bulmer, plans to reduce its investment in advertising, smaller producers like Merrydown will be forced to invest in campaigns of their own. Judging by the increase in sales in two export markets and of cider in Scotland, where there was reorganisation of sole agents, the cider year and should be healthy this year and

farmers are likely to restrict price increases to around 3 per cent, so costs should be relatively easy to control. Merrydown is now augmenting its non-cider activities by relaunching the health food range and extending distribution from the specialist shops to the grocery multiples. Although the benefits of this are unlikely to filter through until 1987-88, the City expects profits of £1.35m for 1986-87, producing a prospective p/e of 15 on the shares at 35p. This seems appropriate for the short term.

TR Trustees ahead TR Trustees Corporation raised net asset value per 25p share, to 230.6p at the end of May, 1986, compared with 185.5p a year earlier. Total income in the period increased to £2.39m (£7.64m). After tax of £1.92m (£2.05m) earnings per share climbed from 4.29p to 4.56p. The final dividend is 2.4p for a net total of 4.2p (3.9p).

Directors of Mnemos will seek shareholders' approval to the voluntary winding up of the company, with the shares in the new company being distributed to Mnemos shareholders on a one-for-one basis. All Mnemos assets and liabilities will be transferred to the new company, which will issue shares of common stock, representing about 26 per cent of the issued share capital to Mnemos.

VSEL CONSORTIUM PLC (Incorporated in England) INTRODUCTION TO THE STOCK EXCHANGE ARRANGED BY LLOYDS MERCHANT BANK LIMITED

SHARE AND LOAN CAPITAL
Authorized £ 45,000,000
Issued £ 40,000,000
Ordinary Shares of 51 each 35,000,000
11 per cent Unsecured Loan Stock 1996 4,000,000
Special Loan of 51 1

This announcement appears as a matter of record only. July 1986.
Exacta HOLDINGS LIMITED
A new company formed by members of management and by a syndicate of investors to acquire STC Exacta Limited.

The following syndicate subscribed a total of £4,630,000 for shares in the company. Investors in Industry plc, CIN Industrial Investments Limited, Close Investment Management Limited, County Development Capital Limited, Darnaway Venture Capital plc, East of Scotland Industrial Investments PLC, Lothian Regional Council Superannuation Fund, The Prudential Assurance Company Limited, Scottish Development Agency.

The syndicate leader was: Investors in Industry plc. Exacta Holdings Limited is the UK's largest manufacturer of printed circuit boards.

COMPANY NEWS IN BRIEF

THE THERMOFON USM Trust, which obtained a listing early this year, improved its net asset value from 94.5p, its value at inception after deduction of flotation expenses, to 107.5p at end-June 1986. Net revenue for the 21-week period since the company began trading on February 3, amounted to £272,000 after tax of £192,000.

UK COMPANY NEWS

FT LAW REPORTS

BROWN GOLDIE & CO. LIMITED

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U.S.\$35,000,000 SERIES 18

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(Organised under the laws of the United Mexican States)

Six Month Notes Issued in Series

under a

U.S.\$75,000,000

Note Purchase Facility

Notice is hereby given that the above Series of Notes issued under a Note Purchase Facility...

29th July, 1986

Samuel Montagu & Co. Limited

Issue Agent



Bank of Montreal (A Canadian Chartered Bank)

U.S.\$250,000,000

Floating Rate Debentures, Series 9, due 1996

(Subordinated to deposits and other liabilities)

Notice is hereby given that the Rate of Interest for the three month period 29th July, 1986 to 29th October, 1986 has been fixed at 6 1/4 per cent.

Morgan Guaranty Trust Company of New York



Italian International Bank Plc

U.S.\$60,000,000

FLOATING RATE NOTES DUE 1991

In accordance with the provisions of the Notes, notice is hereby given that for the six month interest period from 29th July 1986 to 29th January 1987 the Notes will carry an interest rate of 6 3/4% per annum...

Agent Bank: Morgan Guaranty Trust Company of New York, London.

This notice appears in accordance with the requirements of the Council of The Stock Exchange.

Barker & Dobson Group p.l.c. (Incorporated in England No. 221722)

Issue of 611,895,940 new ordinary shares of 1p each by way of rights to holders of ordinary shares in connection with the acquisition of Budget Holdings Limited

Details of the above securities will be contained in the new issue cards to be circulated in the statistical service maintained by Exel Statistical Services Limited.

Barker & Dobson Group p.l.c. P.O. Box 49, Huntley Mount Road, Bury, Lancashire BL9 6XL

Kleinwort Benson Limited 20 Fenchurch Street, London EC3P 3DB

Kleinwort Grieveson and Co. 20 Fenchurch Street, London EC3P 3DB

29th July 1986

Tenneco Inc HOUSTON, TEXAS



1986 is our 40th consecutive year of cash dividend payments

The 1986 third quarter dividend of 76¢ per share on the Common Stock will be paid September 9 to stockholders of record on August 8. About 194,000 stockholders will share in our earnings.

Karl A. Stewart, Secretary

UNITED SCIENTIFIC HOLDINGS has appointed two non-executive directors to the board of its French affiliate, Solepalm: Mr Guy Brana, president of the Economic and International Commission of the CNEP (the French CBI) and a director of Thomson Brandt and Thomson CSE, and Mr Ernest Bernart, director of the Compagnie Financiere de Suez.

The new board of COMMONWEALTH DEVELOPMENT

Walter Alexander lifted to £4.3m by coachbuilding side

A £1M turnaround in the coachbuilding division helped the Walter Alexander group to a pre-tax profit increase of 29 per cent, from £3.7m to £4.3m, in the year ended March 31 1986.

Sycamore falls back into the red for first half

Sycamore Holdings returned to losses in the first half of 1986-87, after reporting a profit for the second half of the previous year.

Marling Industries margins squeezed

While turnover at Marling Industries, maker of industrial textiles and safety products, rose by 28 per cent to £40.94m in the year ended March 31 1986, pre-tax profits were up by a modest 6 per cent to £2.2m, compared with £2m previously.

Watsham's higher

A 41 per cent advance in turnover was achieved by Watsham's in the year ended March 31 1986, and the rate of profit growth almost kept pace.

BOARD MEETINGS

Table listing board meetings for various companies including Interim: Burnetts, Child Health Research, etc.

APPOINTMENTS

Esso UK retail director

ESSO UK has promoted Mr David Ledlie to divisional director retail. He will be responsible for the network of Esso petrol outlets in the UK.

With the reorganisation of PATERSON FOODS, Mr Ender Fosyth has become commercial director. He joins from Beechams Bottlers where he was marketing director.

Mr Peter Lipman has been appointed managing director of KIRKLAND WHITEAKER (CURRENCY DEPOSIT BROKERS) and Mr David Andrews has been appointed managing director of KIRKLAND WHITEAKER FOREIGN BROKERS.

Mr John Peach has been elected president of THE ASSOCIATION OF ELECTRICAL MACHINERY TRADES for 1986-88 in succession to Mr R. A. Joseph.

Mr Kate Fraser and Mr Jerry Wood have been appointed directors of GOOD RELATIONS CITY. Mr W. Scanlon is appointed a director and deputy managing director of ROYAL LIFE HOLDINGS LIMITED from August 1.

FINANCE COMPANY, following the resignation of Mr Geoffrey Munn, chairman; Mr Anthony Charlwood, managing director; Mr Charles Hobbs and Mr Michael Banks, deputy directors; Mr Ian Buckley, Finance Director; Mr Philip Henderson and Mr Robert Fawcett.

Mr Marc Cranville from the corporate finance division, is joining the board of KLEINWORT BENSON.

Mr G. R. D. Hews has stepped down as chairman of KENT MESSENGER but remains a director. He will be replaced by Edwin Boorman. Mr P. E. Edgley and Mr W. J. Derrill have been appointed joint managing directors.

Mr Martin Thomas has been appointed deputy managing director of the UK pump division of SULZER BROS. (UK). He succeeds Mr Bill Walton, joint managing director, who will become non-executive chairman of the UK pump division.

ALPHAMERIE has appointed Mr John Barratt (systems director) and Mr Richard Oppe (commercial director) - both of whose previous employers are Messrs. Harris who becomes divisional director responsible for manufacturing, sales and marketing of Alphamerie in France.

Mr Allan Grant has been appointed vice director of ARTHUR E. LUNN, a Metallax Group company. Mr Peter Green has been appointed deputy managing director of BINKS-BULLOWS. Mr Geoffrey Bacon has been appointed director of the CANADA-UK CHAMBER OF COMMERCE.

Homeland's standing in English courts

GUR CORPORATION v THE TRUST BANK OF AFRICA LTD AND ANOTHER

THE REPUBLIC OF CISKEI is a subordinate body of the South African state in that South Africa is entitled to exercise sovereign authority over the territory...

The Court of Appeal said that the Republic of Ciskei was not a sovereign state, but an organisation subordinate to the South African state...

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as a sovereign state because it requires us to hold that the USSR remained de jure sovereign. The courts of this country must disregard any declarations of the Government of the USSR in so far as they conflict with the certificate...

The certified fact that the British Government had made representations to the South African Government in relation to certain matters occurring in Ciskei gave rise to a clear inference that the government regarded South Africa as continuing to be entitled to exercise its authority over the territory.

The further certified fact that the South African Government had not in general made any positive response gave rise only to an inference that it was not in general willing to exercise the authority which it had de jure, preferring to leave that to the government of Ciskei.

In each case the certificates were concluded that the GDR or the Ciskei were not recognised as independent sovereign states. It followed that the courts must hold that neither the GDR or its government, nor the Republic of Ciskei or its government, was in law capable of an executive, administrative or legislative act at the relevant times, unless enabled by some superior authority.

For the bank: Peter Crosswell QC, Ethel Lesterpacht QC and John Agg (Deputy Pleaser). For Ciskei: Simon Tuckey QC and Anthony Temple QC (Barlow Lyde & Gilbert). For GUR: Antonio Bueno (Victor Mishkin & Co); Amicus Curiae: John Laus (Treasury Solicitor).

How to compete in the complex global marketplace? Attend the leading University Executive Program in International Management - a Columbia Executive Program.

International Management 1 Week: September 28-October 24, 1986. Arden House, Harriman Campus of Columbia University.

American Express Bank Ltd. U.S. \$100,000,000 Floating Rate Subordinated Capital Notes Due 1997. Notice is hereby given that the Rate of Interest has been fixed at 6 3/4% and that the interest payable in respect of U.S. \$10,000 principal amount of Notes for the period July 29, 1986 to September 29, 1986 will be US\$116.25.

THE FINANCIAL TIMES is preparing to publish a Survey of THE WORLD ECONOMY on Monday, September 29, 1986. Advertising copy date for this Survey is Friday, August 15, 1986.

NOTICE to the holders of Citizens Fidelity Corporation 8 1/2% Convertible Subordinated Debentures Due 2005. NOTICE is hereby given that the Initial Conversion Price of \$33.00 specified in the above Debentures has been adjusted to \$33.00 in view of the three-for-two split of Common Stock of Citizens Fidelity Corporation.

LONDON RECENT ISSUES

Table of recent issues in the equities market, listing stock names, prices, and changes.

Table of fixed interest stocks, including government and corporate bonds.

Table of 'RIGHTS' OFFERS, detailing various rights issues and their terms.

F.T. CROSSWORD PUZZLE No. 6085

Crossword puzzle grid with clues for 'ACROSS' and 'DOWN'.

SOLUTION TO PUZZLE No. 6084, providing the answers to the crossword puzzle.

AUTHORISED UNIT TRUSTS

Large table listing various unit trusts, their managers, and performance metrics.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS & INSURANCES

Table containing financial data for various unit trusts and insurance companies, including names, addresses, and financial metrics. The table is organized into multiple columns and rows, with some sections highlighted in bold.

INSURANCES

Table containing financial data for various insurance companies, including names, addresses, and financial metrics. This section is located below the 'INSURANCES' header and continues the list of financial entities.

INSURANCE, OVERSEAS & MONEY FUNDS

Shand's Life Assurance Co Ltd - Cont. Table listing various insurance policies and their details.

UK Provident. Table listing UK Provident insurance policies and their details.

Foreign & Colonial Management Ltd. Table listing various international investment funds.

WEL British Int Ass Ltd. Table listing various international investment funds.

Schwab's Life Assurance Co Ltd. Table listing various insurance policies and their details.

Warburg Investment Services Ltd. Table listing various investment services and funds.

Standard Life Assurance Company. Table listing various insurance policies and their details.

MANAGEMENT SERVICES. Table listing various management services and their details.

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CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar and pound at new lows

The US dollar, sterling and Australian dollar suffered from nervous selling on the foreign exchanges yesterday. Expectations of disappointing US economic statistics this week, including tomorrow's June trade figures, pushed the dollar down to a 5-year closing low of DM 2.1135, from DM 2.1450...

£ IN NEW YORK

Table with columns: July 28, Latest, Prev. close. Rows include US dollar, Australian dollar, Japanese yen, etc.

consolidating its position within the European Monetary System. The Bundesbank did not intervene at the Frankfurt fixing, and the dollar fell to DM 2.1135 from DM 2.1450 compared with DM 2.1530 on Friday. There was little reaction to news that the cost of living in West Germany continued to fall in July, with consumer prices falling at a year-on-year rate of 0.5 per cent, compared with 0.2 per cent in June...

FINANCIAL FUTURES

Prices fall

Prices fell on the London International Financial Futures Exchange yesterday. Nervousness surrounding sterling, as a result of weaker oil prices, and speculation the crude price could slip to \$9 a barrel, in spite of the present efforts of Opec ministers meeting in Geneva to agree production quotas, was increased by the UK Government's political prob-

lems. This led to early selling of gilts in the cash market, and a weak opening in long gilt futures, with September delivery opening at 119.10, and quickly falling to 118.07, a full point below Friday's close. The price recovered to just touch 120, before closing at 118.27, still below Friday's close of 120.07, but encouraged by an upward turn in the cash market.

Financial futures tables: LIFFE LONG GILT FUTURES OPTIONS, LIFFE EURO-DOLLAR FUTURES OPTIONS, LIFFE S&P 500 FUTURES OPTIONS, LIFFE 10YR GOVT BOND FUTURES OPTIONS.

US Treasury bond futures were also weaker, showing nervousness ahead of tomorrow's announcement of the US Treasury's quarterly refunding requirement, after earlier doubts about whether Gramm-Rudman legislation, on raising the debt ceiling, would cause a delay, were replaced by nervousness about Japanese investors' reaction to a possible \$30bn record refunding package. June US trade figures will also be published tomorrow. September Treasury bonds opened at 96.14, near the day's high of 96.15, and after touching 95.27 closed at 96.07, against 96.25 previously.

Electronic Financial Services

The Key to Competitive Advantage

15 & 16 October, 1986

The Financial Times fourth Electronic Financial Services conference will be held in London at the Hotel Inter-Continental on 15 & 16 October, 1986.

Subjects to be addressed: Electronic Financial Services - The Threat and the Promise; Branch Automation - Information Systems in the Branch of Tomorrow; Future Technology and the ATM; Developments in EFT/POS; Cash Management for the Small Company; Security of Data.

Some of the speakers taking part: Mr Trevor Nicholas, Barclays Bank PLC; Mr Fabio Chiusa, Ipaci; Mr Bill Murphy, Western Trust & Savings Ltd; Mr Malcolm Hughes, The Prudential Assurance Company Ltd; Mr Michael Biles, Fraser Financial Services Ltd; Mr Doug McCallum, EFT-POS Administration Ltd; Mr Harvey Frey, American Express Europe Ltd; Mr Jean-Francois de la Cour, Banque Bruxelles Lambert SA; Mr Alan Britton, Mobil Oil Company Ltd; Mr Bessel Koop, S.M.W.I.T.

By Order of the Managing Board: JULIAN E. ASHBY, Corporate Secretary, Chief Operating Officer. Dated July 23, 1986.

Electronic Financial Services. To: Financial Times, Conference Organisation, 10 Abchurch Lane, London EC4A 3DF. Tel: 01-621 1355. Telex: L02247 FTFCNG G. Fax: 01-623 8814. Please send me further details.

Art Galleries

Owens Galleries, 43, D'Arby Street, London SW1A 2JF. Tel: 01-830 7724. Fax: 01-830 7724. Paintings, Prints, Sculpture, Jewellery, Clocks, etc. by Old Master, Modern, and Contemporary artists.

Clubs

Various club listings including tennis, golf, and social clubs.

POUND SPOT-FORWARD AGAINST POUND

Table with columns: July 28, Day's spread, Close, One month, % Three months, % Six months. Rows include US, Canada, Belgium, Denmark, etc.

DOLLAR SPOT-FORWARD AGAINST DOLLAR

Table with columns: July 28, Day's spread, Close, One month, % Three months, % Six months. Rows include UK, Ireland, Canada, Belgium, etc.

CURRENCY MOVEMENTS

Table showing currency movements for various currencies including Sterling, Canadian dollar, Australian dollar, etc.

CURRENCY RATES

Table with columns: July 28, Bank rate, Special Drawing Right, etc. Rows include Sterling, US\$, Canadian \$, etc.

CHICAGO

Table with columns: July 28, US Treasury bills, etc. Rows include US Treasury bills, US Treasury bonds, etc.

LONDON

Table with columns: July 28, 20-Year 12% Notional Gilt, etc. Rows include 20-Year 12% Notional Gilt, 10% Notional Short Gilt, etc.

EXCHANGE CROSS RATES

Table with columns: July 28, £/\$, £/DM, etc. Rows include £/\$, £/DM, £/YEN, etc.

EURO-CURRENCY INTEREST RATES

Table with columns: July 28, Short term, 7 days notice, etc. Rows include Sterling, US Dollar, etc.

OTHER CURRENCIES

Table with columns: July 28, Argentina, etc. Rows include Argentina, Brazil, Finland, etc.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: Country, Currency, Value of £ Sterling, etc. Rows include Belgium, Denmark, France, etc.

STERLING INDEX

Table with columns: July 28, 8.30 AM, etc. Rows include 8.30 AM, 10.00 AM, etc.

MONEY MARKETS

No reaction to weak pound

Interest rates showed virtually no reaction to the weaker sterling yesterday. There was no yield curve in short term rates, with sterling certificates of deposit from one-month to one-year quoted at 9 1/2 to 10 1/2 per cent. Three-month interbank closed at 9 1/2-10 per cent, compared with 9 1/2-10 per cent. As the prospects of lower bank base rates have all but disappeared, as far as the immediate future is concerned, discount houses continued to be fairly willing sellers of longer-dated bank 4 eligible bills yesterday.

FT LONDON INTERBANK FIXING

Table with columns: Three months US dollar, Six months US dollar, etc. Rows include Three months US dollar, Six months US dollar, etc.

NEW YORK RATES

Table with columns: Prime rate, Broker loan rate, etc. Rows include Prime rate, Broker loan rate, Fed funds, etc.

MONEY RATES

Table with columns: July 28, Over-night, One month, etc. Rows include Over-night, One month, Two months, etc.

LONDON MONEY RATES

Table with columns: July 28, Over night, One month, etc. Rows include Over night, One month, Three months, etc.

WORLD VALUE OF THE POUND

The table below gives the latest available rates of exchange for the pound against various currencies on July 28, 1986. In some cases rate is nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

Large table with columns: COUNTRY, CURRENCY, VALUE OF £ STERLING. Rows include Albania, Algeria, Angola, Argentina, Australia, Austria, etc.

BRITISH FUNDS

Table of British Funds with columns for High, Low, Stock, Price, Div, Yield, and various fund names like 'Herbert's (Lines up to Five Years)'.

AMERICANS-Cont.

Table of American Stocks with columns for High, Low, Stock, Price, Div, Yield, and various company names like 'American Express'.

INDUSTRIALS-Continued

Table of Industrial Stocks with columns for High, Low, Stock, Price, Div, Yield, and various company names like 'British Airways'.

LONDON SHARE SERVICE

BUILDING, TIMBER, ROADS-Cont.

Table of Building, Timber, and Roads stocks with columns for High, Low, Stock, Price, Div, Yield, and various company names like 'Crested Roof'.

DRAPERY & STORES-Cont.

Table of Drapery and Stores stocks with columns for High, Low, Stock, Price, Div, Yield, and various company names like 'Debenhams'.

ELECTRICALS

Table of Electrical stocks with columns for High, Low, Stock, Price, Div, Yield, and various company names like 'British Telecom'.

CHEMICALS, PLASTICS

Table of Chemicals and Plastics stocks with columns for High, Low, Stock, Price, Div, Yield, and various company names like 'ICI'.

DRAPERY AND STORES

Table of Drapery and Stores stocks with columns for High, Low, Stock, Price, Div, Yield, and various company names like 'Debenhams'.

BEERS, WINES & SPIRITS

Table of Beers, Wines, and Spirits stocks with columns for High, Low, Stock, Price, Div, Yield, and various company names like 'Guinness'.

BUILDING, TIMBER, ROADS

Table of Building, Timber, and Roads stocks with columns for High, Low, Stock, Price, Div, Yield, and various company names like 'Crested Roof'.

ENGINEERING

Table of Engineering stocks with columns for High, Low, Stock, Price, Div, Yield, and various company names like 'BHP'.

ENGINEERING-Continued

Table of Engineering stocks with columns for High, Low, Stock, Price, Div, Yield, and various company names like 'BHP'.

INDUSTRIALS-Continued

Table of Industrial Stocks with columns for High, Low, Stock, Price, Div, Yield, and various company names like 'British Airways'.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, etc. stocks with columns for High, Low, Stock, Price, Div, Yield, and various company names like 'Sainsbury'.

Over Fifteen Years

Table of funds with a track record of over fifteen years.

Undated

Table of undated funds.

Index-Linked

Table of index-linked funds.

INT. BANK AND OSEAS GOVT STERLING ISSUES

Table of international bank and overseas government sterling issues.

CORPORATION LOANS

Table of corporation loans.

COMMONWEALTH & AFRICAN LOANS

Table of commonwealth and African loans.

LOANS

Table of various loans.

AMERICANS

Table of American stocks.

INDUSTRIALS—Continued

Table of industrial stocks including companies like British Petroleum, Shell, and ICI, with columns for stock price, high/low, and volume.

LEISURE—Continued

Table of leisure stocks including companies like British Airways, British Telecom, and British Gas.

PROPERTY—Continued

Table of property stocks including companies like British Land, Granada, and Granada Television.

INVESTMENT TRUSTS—Cont.

Table of investment trusts including various funds like British American Investment Trust and British Overseas Investment Trust.

FINANCE, LAND—Cont.

Table of finance and land stocks including companies like British American Finance and British Land.

MINES—Continued

Table of mining stocks including companies like Anglo American, De Beers, and Anglo Coal.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks including companies like British Aerospace and Rover.

Commercial Vehicles

Table of commercial vehicle stocks including companies like Leyland and Leyland DAF.

Components

Table of component stocks including companies like Lucas and Lucas Industries.

Garages and Distributors

Table of garage and distributor stocks including companies like Halfords and Halfords Stores.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publisher stocks including companies like News International and News Corp.

PAPER, PRINTING, ADVERTISING

Table of paper, printing, and advertising stocks including companies like Newsprint and Newsprint.

SHOES AND LEATHER

Table of shoes and leather stocks including companies like Clarks and Clarks.

SOUTH AFRICANS

Table of South African stocks including companies like Anglo American and Anglo Coal.

TEXTILES

Table of textile stocks including companies like J. & F. Wright and J. & F. Wright.

TOBACCO

Table of tobacco stocks including companies like British American Tobacco and British American Tobacco.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks including various investment funds.

OVERSEAS TRADERS

Table of overseas trader stocks including companies like Anglo American and Anglo Coal.

INSURANCES

Table of insurance stocks including companies like British American Insurance and British American Insurance.

PROPERTY

Table of property stocks including companies like British Land and British Land.

INVESTMENT TRUSTS

Table of investment trusts including various funds like British American Investment Trust.

FINANCE, LAND, etc.

Table of finance, land, and other stocks including companies like British American Finance.

MINES

Table of mining stocks including companies like Anglo American and Anglo Coal.

REGIONAL & IRISH STOCKS

Table of regional and Irish stocks including companies like Anglo American and Anglo Coal.

NOTES: A section providing detailed information and analysis for various stocks, including company news, financial performance, and market commentary.



WORLD STOCK MARKETS

Table of world stock markets including Austria, Germany, Norway, Australia, Japan, Canada, Denmark, France, Netherlands, Singapore, and South Africa. Columns include country, date, price, and change.

Table of Canadian stock markets including Toronto and Montreal. Columns include stock name, price, and change.

Table of stock indices including New York Dow Jones, Standard and Poors, and various regional indices. Columns include index name, date, and value.

OVER-THE-COUNTER Nasdaq national market, closing prices

Table of over-the-counter stock prices including companies like RAX, RPL, RST, and others. Columns include stock name, price, and change.

NEW YORK CLOSING PRICES

Table of New York closing prices for various stocks and indices. Columns include stock name, price, and change.

LONDON Chief price changes

Table of London price changes for various stocks and indices. Columns include stock name, price, and change.

BONN/COLOGNE/DUSSELDORF/ESCHBRUNN/FRANKFURT/HAMBURG/HESSISCHE BERGSTRASSE/HOECHST/MUNICH/OFFENBACH/RUESSEL/STUTTGART/MIENNA

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NYSE COMPOSITE CLOSING PRICES

Table of NYSE Composite Closing Prices. Columns include Stock, High, Low, Close, Change, and Volume. Includes sub-sections like 'Continued from Page 38' and 'Continued on Page 37'.

AMEX COMPOSITE CLOSING PRICES

Table of AMEX Composite Closing Prices. Columns include Stock, High, Low, Close, Change, and Volume. Includes sub-sections like 'Continued from Page 38' and 'Continued on Page 37'.

OVER-THE-COUNTER Nasdaq national market, closing prices

Table of Over-the-Counter (Nasdaq) Closing Prices. Columns include Stock, High, Low, Close, Change, and Volume. Includes sub-sections like 'Continued on Page 37' and 'Continued on Page 38'.

